

Purchasing Week

McGraw-Hill's National Newspaper of Purchasing

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Vol 1 No. 43

New York, N. Y., October 27, 1958

\$6 A YEAR U. S.
AND CANADA

\$25 A YEAR
FOREIGN

Office Devices Jump in Sales, Exhibitors Say

New York—Purchasing officials and other business executives kept salesmen-demonstrators working overtime showing off automatic, high speed office equipment at the National Business Show.

Brisk demand for office equipment which reduces costly paper work, adds efficiency, and multiplies profits marked the busy five-acre exhibition here last week. Many office equipment manufacturers reported sales running far ahead of September and October a year ago. Attractive new products were credited with adding to the momentum.

New and improved systems operations, computer, and calculator designs stressing portability and small office maneuverability, and a wide variety of copying devices caught the attention of purchasers with an eye for boosting
(Continued on page 24)



"WHAT SELLS ME" was explained to chemical salesmen at a S.A.A.C.I. clinic by P.A.'s. Panel moderator G. C. Fordyce, American Cyanamid, right, discusses procedure with G. H. Reinier, left, Abbott Labs.; panel chairman J. M. Brady, N. Y. Quinine & Chemical Works; J. H. Saville, American Viscose; S. E. Spencer, Jr., General Foods. See story p. 24.

Pittsburgh Screw & Bolt Proposes Change in Pricing of Fasteners

Pittsburgh—The Pittsburgh Screw & Bolt Corp. proposes to make a major change in the industrial fastener industry's complicated pricing system.

The company has sent letters to customers and distributors explaining that it seeks to develop "a pattern which will take the inconsistencies and impracticabilities out of the present structure" in the fastener industry.

Two key changes are under consideration:

- Replacement of the complex list and discount system of publishing prices with a net price system.
- Elimination of the freight variable on truckload and carload quantities and replacement with
(Continued on page 23)

Foreign Fasteners Pose U.S. Problem

New York—The fasteners industry is attempting to offset the impact of sharp foreign competition by promoting "quality over price."

"We can't hope to compete with these bargain basement imports on the basis of price," one large producer told PURCHASING WEEK. "Our labor and material costs make it impossible for this type of competition."

"Foreign-made screws, nuts,
(Continued on page 23)

P.A.'s Can Lead

Purchasing men can take the lead in introducing new products into company designs. See page 14 for picture story of a P.A. who got an idea from a salesman, called in the engineer, now new product is being used in his company's appliance.

Spare Capacity To Check Prices

New York—American industry is accumulating a substantial amount of spare capacity. That's the import of a special survey conducted by the McGraw-Hill Department of Economics. The results show that:

- Manufacturing capacity is now 50% greater than it was at the end of 1950.

• Much of this additional capacity is not being utilized. The chart on page 3 shows the latest capacity scorecard for the major segments of the economy. You can see that all durable goods industries were still operating at considerably below their preferred rates in August, as were some of the nondurable goods business areas.

On the other hand, textiles and
(Continued on page 3)

Industry Safety Takes Spotlight

Chicago — Industrial safety equipment is going "out of this world" to meet the safety requirements of the rocket, missile and jet age. But P.A.'s in the market for safety devices can be assured prices are still firmly earthbound.

Improvements to such old industrial safety standbys as eye-glasses and hard hats shared the spotlight with space age devices at the National Safety Congress and exposition here Oct. 20-24.

But despite some fancy improvements, manufacturers indicated intense competition in many
(Continued on page 24)

Truck Prices Move Upward; A Few Are Cut

Detroit — Manufacturers of trucks and other mobile industrial machinery have begun to announce a series of price changes. The truck pattern is spotty with some reductions, but most revisions are on the up side with increases ranging to 5% or higher depending on make and model.

Truck manufacturers, who nevertheless anticipate a substantial increase in sales volume in 1959, blame higher labor and material costs for the increases. The boosts in general are less than those applied to 1959 model passenger cars.

Trends in industrial vehicles lean toward more tilt cab models, snappier styling, more driver comfort, bigger payload capacity, more power, increased use of
(Continued on page 24)

U.N. Unit Favors Lead, Zinc Curbs

Washington — International export curbs on lead and zinc will be urged again at a second United Nations Commodity Commission's special committee meeting set for Geneva, Switzerland, in mid-November.

There, world producers and consumers hope to reach a formal agreement on export quotas which may replace the U. S. import restrictions Washington slapped on last month after the international committee failed to
(Continued on page 23)

Demand, Strikes Move Copper Toward Recovery

New York—Copper seems to be one metal well on the way to recovery. Bolstered by increased demand and strikes in Rhodesia, Canada and United States—producers have now pushed up the
(Continued on page 24)

This Week's

Purchasing Perspective

OCT. 27-
NOV. 2

Some purchasing executives are planning ahead now in hopes of easing tension sure to develop next spring when industry starts feeling edgy about outcome of steel labor negotiations. The way things look at the moment getting steel operators and United Steel Workers to agree on a new contract will be none too easy. Some hedge-buying of steel products is virtually certain to develop.

If hedge-buying is part of your picture, it's a good idea to remind the company finance committee extra funds might be allocated for the first half of 1959 to keep inventory levels tuned to conditions.

With basic steel continuing to spearhead the recovery movement in many areas, producers are happy the steady weekly rise in production has been a general improvement with a good broad base. Detroit has contributed to the improvement but is by no means responsible for it. However, Detroit's auto potential isn't know yet, and this may create problems for steel buyers.

(Continued on page 23)

Purchasing Executives Work, Consult, and Advise at Three N.A.P.A. District Conferences



DISTRICT 2 AT WICHITA—Jess Pate, center, gets Cosgrove Award for distinguished service to purchasing. Co-chairman William Adamek at left. Fred Bradley, dist V.P.

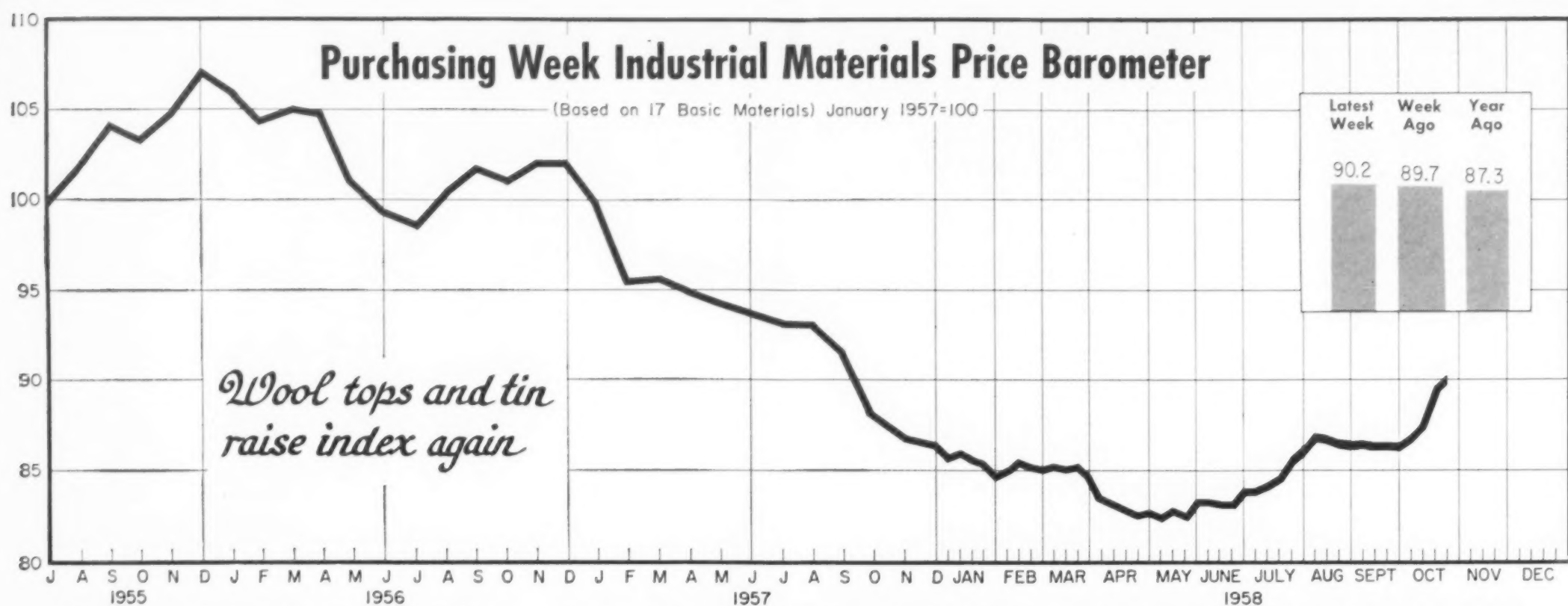


DISTRICT 7 AT JACKSONVILLE—Clyde De Long, Goodrich Rubber; Gordon B. Affleck, N.A.P.A. president; and S. L. Jackson, general chairman of the conference, get together.



DISTRICT 8 AT ELMIRA—Purchasing profession panel included, left to right, Worth Probst, E. W. Noble, Walter E. Willets (moderator), and Joseph Meade.

For a combined story on these three meetings please turn to page 24.



This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items used are important only in that, together, they re-

fect the current general market trend in sensitive industrials. Weekly prices for most of the items covered are published in "Commodity Prices" below.

This Week's

Price Perspective

OCTOBER 27-NOVEMBER 2

An imposing list of raw materials has joined the "firming" bandwagon. In the past few weeks metals, textiles, hides, rubber, and building materials all have reported higher overall tags.

Biggest headline maker has been copper where custom smelter quotations have gone 3½¢ a lb. in the past four weeks.

Other non-ferrous metals have taken on a firmer tone, too. Lead and zinc, bolstered by recent quotas, are considerably above summer levels.

In textiles, tags have been rising on heavy cotton cloth (used in auto interiors) and on Dacron-cotton fabrics (used in "wash and wear" items).

Key hide and rubber markets are also on the rise.

You can see results of all this firming in PURCHASING WEEK'S Industrial Price Barometer above.

Current reading (91.2) is a significant 4.4% above the level recorded only four weeks ago.

What does it all mean?

Ask this question of a group of "experts," and you'll get answers ranging all the way from "nothing" to "gradual business recovery" to "beginning of a new inflationary cycle."

The actual truth lies closest to the middle interpretation: A gradual business recovery.

At this point all you can read into the raw material price rise is that it is a pretty good indication that business is on the way up again.

Nothing more is warranted.

Recovery is the only interpretation you can put on a sudden, sustained rise in sensitive industrial raw material prices.

For these tags have two attributes that make them particularly valuable for business forecasting.

• They "lead" a pickup in overall demand. If your company expects any pickup in production and sales tomorrow, you've got to start stocking up on basic materials today.

• They're inherently volatile. Small variations in demand can bring about significant changes in price. This price sensitivity is the key to "barometer" usefulness. It magnifies any change in raw material demand—allowing us to pick it up earlier than might otherwise be possible.

It's precisely this price sensitivity that makes it dangerous to use industrial materials as a gauge of overall price level.

Most manufactured components and finished products are, by nature, a lot more sticky. And whether price goes up or not depends on a lot of other important factors.

Even to the extent that material prices do affect fabricated products—there's always a time lag. It often takes more than six months for material hikes to be translated into higher finished goods prices.

Often as not these material price boosts never filter through because: The cost change in the final product is negligible; the rise is lost in the "filtering" process; competitive conditions forbid a "pass-through."

The factor of competitive conditions should not be under-estimated. With most industries still plagued with excess capacity (page 3), it takes a lot of guts for a supplier to boost a price if his competitors do not.

This more than anything else will keep the lid on any price rise.

This Week's Commodity Prices

	Oct. 22	Oct. 15	Year Ago	% Yrly Chg.
METALS				
Pig iron, Bessemer, Pitts., gross ton	67.00	67.00	67.00	0
Pig iron, basic, valley, gross ton	66.00	66.00	66.00	0
Steel, billets, Pitts., net ton	80.00	80.00	77.50	+ 3.2
Steel, structural shapes, Pitts., cwt	5.50	5.50	5.275	+ 4.3
Steel, structural shapes, Los Angeles, cwt	6.20	6.20	5.975	+ 3.8
Steel, bars, del., Phila., cwt	5.975	5.975	5.725	+ 4.4
Steel, bars, Pitts., cwt	5.675	5.675	5.425	+ 4.6
Steel, plates, Chicago, cwt	5.30	5.30	5.10	+ 3.9
Steel scrap, #1 heavy, del. Pitts., gross ton	43.50	43.50	38.50	+13.0
Steel scrap, #1 heavy, del. Cleve., gross ton	40.00	40.00	34.50	+15.9
Steel scrap, #1 heavy, del. Chicago, gross ton	42.50	43.50	37.50	+13.3
Aluminum, pig, lb	.247	.247	.26	- 5.0
Secondary aluminum, #380 lb	.218	.218	.222	- 1.8
Copper, electrolytic, wire bars, refinery, lb	.274	.273	.266	+ 3.0
Copper scrap, #2, smelters price, lb	.243	.235	.195	+24.6
Lead, common, N.Y., lb	.13	.13	.135	- 3.7
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.74	.74	.85	-13.0
Tin, Straits N.Y., lb	.964	.961	.913	+ 5.6
Zinc Prime West, East St. Louis, lb	.11	.11	.10	+10.0
FUELS				
Fuel oil #6 or Bunker C, Gulf, bbl	2.00	2.00	2.55	-21.6
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.37	2.37	2.95	-19.7
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.15	2.15	2.85	-24.6
LP-Gas, Propane, Okla. tank cars, gal	.05	.05	.04	+25.0
Gasoline, 91 oct. reg. Chicago, tank car, gal	.115	.115	.133	-13.5
Gasoline, 84 oct. reg. Los Angeles, rack, gal	.113	.113	.126	-10.3
Coal, bituminous, slack, ton	5.75	5.75	6.05	- 5.0
Coke, Connellsville, furnace, ton	15.25	15.25	15.25	0
CHEMICALS				
Ammonia, anhydros, refrigeration, tanks, ton	86.50	86.50	86.50	0
Benzene, petroleum, tanks, Houston, gal	.31	.31	.36	-13.9
Caustic soda, 76% solid, drums, carlots, cwt	4.80	4.80	4.30	+11.6
Coconut oil, inedible, crude, tanks, N.Y. lb	.158	.158	.14	+12.9
Glycerine, synthetic, tanks, lb	.278	.278	.28	- .7
Linseed oil, raw, in drums, carlots, lb	.167	.167	.186	-10.2
Phthalic anhydride, tanks, lb	.205	.205	.205	0
Polyethylene resin, high pressure molding, carlots, lb	.325	.325	.35	- 7.2
Rosin, W.G. grade, carlots, f.o.b. N.Y. cwt	9.60	9.60	9.00	+ 6.7
Shellac, T.N., N.Y. lb	.31	.31	.34	- 8.8
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	23.50	0
Sulfuric acid, 66° commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb	.081	.081	.086	- 5.8
Titanium dioxide, anatase, reg. carlots lb	.255	.255	.255	0
PAPER				
Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.00	17.00	17.00	0
Bond paper, #1 sulfite, water marked, 20 lb carton lots, CWT	24.20	24.20	24.20	0
Chipboard, del. N.Y., carlots, ton	100.00	100.00	100.00	0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls	9.00	9.00	9.50	- 5.3
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle	6.40	6.40	6.30	+ 1.6
Old corrugated boxes, dealers, Chicago, ton	25.26	25.26	17.00	+48.6
BUILDING MATERIALS				
Brick, del. N.Y., 1000	41.25	41.25	41.25	0
Cement, Portland, bulk, del. N.Y., bbl	4.14	4.14	4.42	- 6.3
Glass, window, single B. 40" Bracket, box	7.00	7.00	7.09	- 1.3
Southern pine lumber, 2x4, s4s, trucklots, fob N.Y.	125.00	129.00	114.00	+ 9.6
Douglas fir lumber, 2x4, s4s, carlots, fob Chicago	129.00	129.00	115.00	+12.2
TEXTILES				
Burlap, 10 oz. 40", 100 yd	10.60	10.60	10.90	- 2.8
Cotton, middling, 1", N.Y., lb	.362	.363	.353	+ 2.5
Printcloth, 39", 80x80, N.Y., spot, yd	.176	.176	.175	+ .6
Rayon, satin, acetate, N.Y., yd	.268	.268	.31	-13.6
Wool tops, N.Y. lb	1.48	1.46	1.63	- 9.2
HIDES AND RUBBER				
Hides, cow, light native, packers, lb	.155	.155	.145	+ 6.9
Rubber, #1 std ribbed smoked sheets, lb	.319	.306	.295	+ 8.1

With Plant Capacity to Spare, Many Industries Will Be Slow to Up Tags

Manufacturers Have 50% More Plant than in 1950; Much of It Is Idle; Yet Companies Are Expanding

(Continued from page 1)
paper and pulp, enjoying a rebound from a long period of inventory cutting, were at preferred rates.

For the purchasing executive, the figures have two important implications.

• In industries where operations are significantly below preferred capacity, stiff competition is likely to be the story for some time to come. And that means prices will be under pressure in most of those areas. It may not mean tag shadings, but it does mean that any significant price boosts are unlikely.

Means Buyer's Market

• It means a buyer's market in many capital goods lines. For those P.A.'s who are working in industries where operations are well below preferred capacity, you may be able to obtain some good machinery bargains.

For all industry, manufacturing firms are now operating at about 78% of capacity. That's 12 points below the preferred operating rate and 14 points below the rate at the end of 1955.

This means that for industry as a whole to return to the preferred operating rate of 90% of capacity, industrial production will have to rise from the September index of 140 (unadjusted) to about 160—assuming only present capacity.

But this assumption is hardly warranted. Current plans indicate another 3% per year addition to capacity in the years 1958-61. So it means an even higher production level will be needed to close the gap.

It is clear then that there is currently no general need for continued expansion of productive capacity at the 6% per year average of recent years. For industry, on the whole, now has enough capacity to take on a large increase in production without a new wave of expansion.

But remember that operating rates do not have to rise to the preferred level before some companies have an incentive to start new expansion plans.

Should Anticipate Future Needs

At some lower point you should anticipate future needs for more capacity, for remember lead times on capital equipment sometimes run into years.

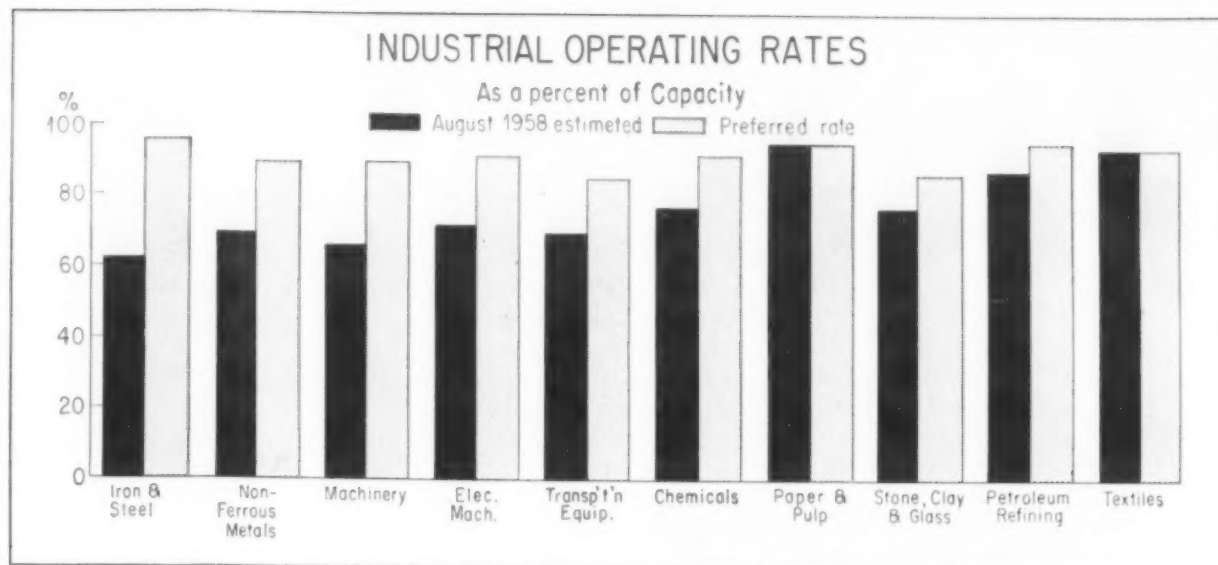
Meantime, there remains ample justification for a high level of capital expenditures in the modernization of obsolete facilities and investment in plant and equipment to make new products (see P.W. Oct 6).

Current trends in new orders for capital goods show that industry is now emphasizing modernization of equipment rather than plant expansion. The McGraw-Hill Index of New Orders for machinery (except electrical) has risen sharply from 120 in March to 156 in August.

Another positive factor: Additional capacity will be needed to produce the new products that are being developed by industry today. This year, American business is spending about \$8 billion

on research and development, which will yield an increasing stream of new products and processes.

Manufacturing firms indicate that they expect 12% of their 1961 sales to be in products not made in 1957. And many of these will require new and improved types of equipment.



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INTERNATIONAL PAPER

SOUTHERN KRAFT DIVISION
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Washington Perspective

OCT. 27-
NOV. 2

Government officials have been told by a group of blue-chip business executives that the outlook is for a steady increase in business activity over the next 6 to 9 months.

That's the appraisal of the Business Advisory Council of the Commerce Department. It represents some of the largest firms in the country who meet four times a year with government officials.

While the business outlook is good, the industry leaders reported to Secretary of Commerce Weeks, defense officials, and other agency representatives that **they're afraid of continued price increases and inflation.**

Inventory liquidation by business has not yet run its full course, according to T. V. Houser, ex-chairman of Sears, Roebuck and a longtime member of the Council. But he estimates that the switch from a minus inventory accumulation over to the plus side might begin sometime next year.

Capital investment in plant and equipment is not yet showing real recovery, Houser finds. Plans to spend on new plants are looking upward, but the actual appropriations by company management haven't yet been made.

This year's stimulus to housing construction has about run its course, Houser said. He indicated he sees nothing in the economic situation now to keep housing next year as strong as it has been in 1958.

Overall, though, next year will be a good year for construction according to S. D. Bechtel, president of the Bechtel Corp.

Private construction may have to be more of a force in 1959 if construction is to hold at 1958's level or better, Bechtel reports.

Military spending will be up in fiscal year 1960 according to Donald A. Quarles, Deputy Secretary of Defense, despite the official hold-down on military spending. The Pentagon line is that its programs can't be trimmed to budget needs, that it has to spend what's needed to keep us up with the Soviets.

New light on the inventory situation—liquidation vs accumulation—is showing in the \$11 billion rise of Gross National Product in the third quarter this year to \$440 billion.

Government experts emphasize that a big factor is the slow-down of inventory liquidation—which dropped to a \$4 billion a year rate compared with \$8 billion in the second quarter. They hope that inventory accumulation will begin by the end of the year, or shortly thereafter, thus giving the economy a new shot in the arm from even a small beginning of net accumulation.

They see this as one explanation of why the businessmen at the Business Advisory Council meeting are predicting a G.N.P. of \$480 billion by mid-1959—that would be a continuation of the surprisingly rapid business activity of the past 3 months.

Commerce Secretary Weeks and Labor Secretary Mitchell are feuding over whether to issue unemployment statistics early next month before the Nov. 4 elections.

Weeks is optimistic that the jobless totals for October will show a marked drop, perhaps falling as low as 3½ million, and he wants to get out the news early in hopes it will benefit Republican chances at the polls.

But Mitchell is balking; claims it would set a bad precedent and that the figures will come too late, anyway, to do any good.

Weeks probably will win out, however. His agency collects the unemployment data, and he is unlikely to hold back as election pressures mount.

Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	2,018	2,003*	2,052
Autos, units	45,293	34,834*	72,180
Trucks, units	12,663	11,878*	21,064
Crude runs, thous bbl, daily aver	7,613	7,723	7,861
Distillate fuel oil, thous bbl	12,704	12,292	12,101
Residual fuel oil, thous bbl	6,838	6,613	7,513
Gasoline, thous bbl	25,991	27,636	27,736
Petroleum refineries operating rate, %	81.5	82.7	87.4
Container board, thous tons	163,552	158,450	160,187
Boxboard, thous tons	150,893	150,345	147,872
Paper operating rate, %	91.7	90.2*	91.0
Lumber, thous of board ft	237,001	253,817	236,014
Bituminous coal, daily aver thous tons	1,421	1,406*	1,652
Electric power, million kilowatt hours	12,048	12,067	11,684
Eng const awards, mil \$ Eng News-Rec	251.4	248.1	359.6

* Revised

Price Changes

Gasoline—Certain major producers have adjusted gasoline tags on the Eastern Seaboard. Boosts of up to 3.5¢ a gal. went into effect in Boston and Providence. Cuts of under 1¢ a gal. were made in New York City, Baltimore, and Albany. Standard Oil Co. of Ohio has cut tags by ½¢ a gal. throughout most of Ohio.

Fuel Oil—Esso Standard Oil Co. has re-established an 8¢ a bbl. voluntary allowance for regular grade No. 6 fuel oil in marketing areas from Baltimore to Charleston, S. C. The allowance covers barge, tankwagon, tankcar, and yard levels of sales.

Copper—Custom smelters last week boosted their copper tags to 30¢ a lb. The increase is due to output cutbacks resulting from strikes in major world copper producing centers.

Two major producers boosted their copper tags 1½¢ a lb. to 29¢ a lb.

Platinum—Russian platinum now quoted at \$54 an ounce has driven down domestic producers' tags of the metal to \$57 an ounce. That compares with the January 1957 price of \$103 an ounce.

Heavy-Duty Motorized Equipment—International Harvester Co. has boosted tags of its heavy-duty motor trucks, farm and construction equipment by 2½ to 5.8%. Higher costs are reported responsible.

Suggested retail tags on Dodge trucks for 1959 were reduced by from \$20 to \$46 a unit below 1958 tags.

Lead Sulfate—Upped lead prices have caused tags of dry white lead to be boosted ¾¢ a lb. The carlot price is now 17¢ a lb., and less than carlot quantities are 18¢ a lb.

Silver Salts—Silver nitrate is now raised to 66¼¢ an ounce for minimum lots of 3,000 ounces and 67¼¢ an ounce for single 250-ounce bottles.

Silver cyanide is now up to 92¼¢ an ounce in 1,000-ounce lots, 92¾¢ an ounce for 500 ounces, 93¾¢ an ounce for 100-ounce lots.

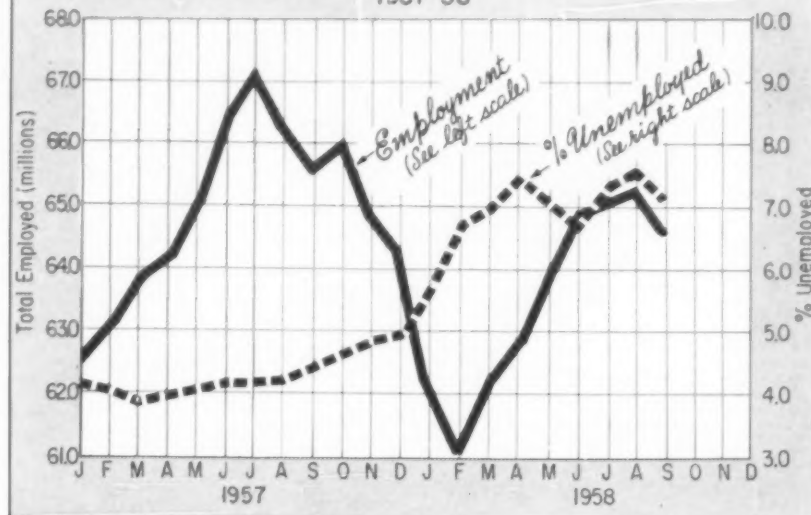
Copper Chemicals—Copper hydrate has been boosted ¾¢ a lb. and copper nitrate ¼¢ a lb. Boosts reflect advances in copper tags.

Mercury—Mercury tags are down 50¢ a flask of 76 lbs. to about \$228 a flask.

Freight Rates—The Railway Express Agency has been authorized by the I.C.C. to raise rates on much of its services by 15% on 15-day notice.

Domestic freight forwarders have received I.C.C. permission to put into effect a 3% rate increase on all traffic east of the Rocky Mountains. The increase compensates the forwarders for upped railroad rates which covered the cost of handling water-born traffic at ports.

Lifschultz Fast Freight, freight forwarder, has lowered rates on less-carload shipments of insulated containers from New York to Chicago and Evanston,

Non Agricultural Employment
1957-58

Employment Bouncing Back but Not Enough

Employment bounceback is encouraging. But it's still not enough to reduce the jobless rate which still stands at a high 7.2% of the labor force. Reasons for high percentage of unemployed: 1. New monthly job openings aren't running much above the number of youngsters entering the work force each month. 2. Productivity increases are putting a lid on new opportunities for factory work.

How to Figure Fringe Benefits; Include Extra and Nonworking Pay

New York—As noted in the article on the rising cost of fringe benefits (P.W., Sept. 29, p. 3), supplemental employment payments take a big chunk of your total labor bill. But just how much they cost in total or as a percentage of employees' salaries is open to much questioning. For each businessman will have his own opinion as to what items should or shouldn't be included.

In fact, current estimates of the average cost of fringes vary from 8% to 20% of the nation's labor bill. The differences depend upon whether such items as social security, vacations, and work preparation time are included. So figuring the cost of fringe benefits can present a tremendous problem.

To aid you in your fringe calculation, PURCHASING WEEK has revised a list prepared by Robert Hoge, director of wage and salary administration for the Owens-Illinois Corp. The list, presented below, is divided into two parts; pay for time not worked and extra pay for time worked. By adding or subtracting specific items, depending on your particular operation, you have a working guide to the analysis of your fringe benefits cost.

Pay for Time Not Worked

Illness
Vacations
Holidays
Rest and relief time
Lunch periods

Jury pay allowance
Voting pay allowance
Bargaining time
Grievance time

Military service pay

Death in family
Wash-up time
Travel time
Supplemental unemployment
Guaranteed call-in pay
Personal time off

Extra Pay for Time Worked

Premiums
Vacations with no time off
Shift premiums
Old age and survivors insurance
Workmen's compensation and temporary disability insurance
Unemployment compensation
Pension or retirement plans
Profit sharing
Christmas, year-end or special bonuses
Group insurance—life, hospitalization, health and accident, surgical and medical, total and permanent disability
Death benefits
Food cost subsidies
Housing subsidies
Termination pay
Service awards
Employee recreation
Personnel services—education subsidy, employee loans, physical examinations, employee purchases, medicines & medical supplies, credit union, legal services, etc.

Ill., and Milwaukee. The new rates, reflecting reductions of up to 78¢ per cwt., are \$3.49 per cwt. on under 5,000-lb. shipments and \$3.27 for 5,000 lb. or more.

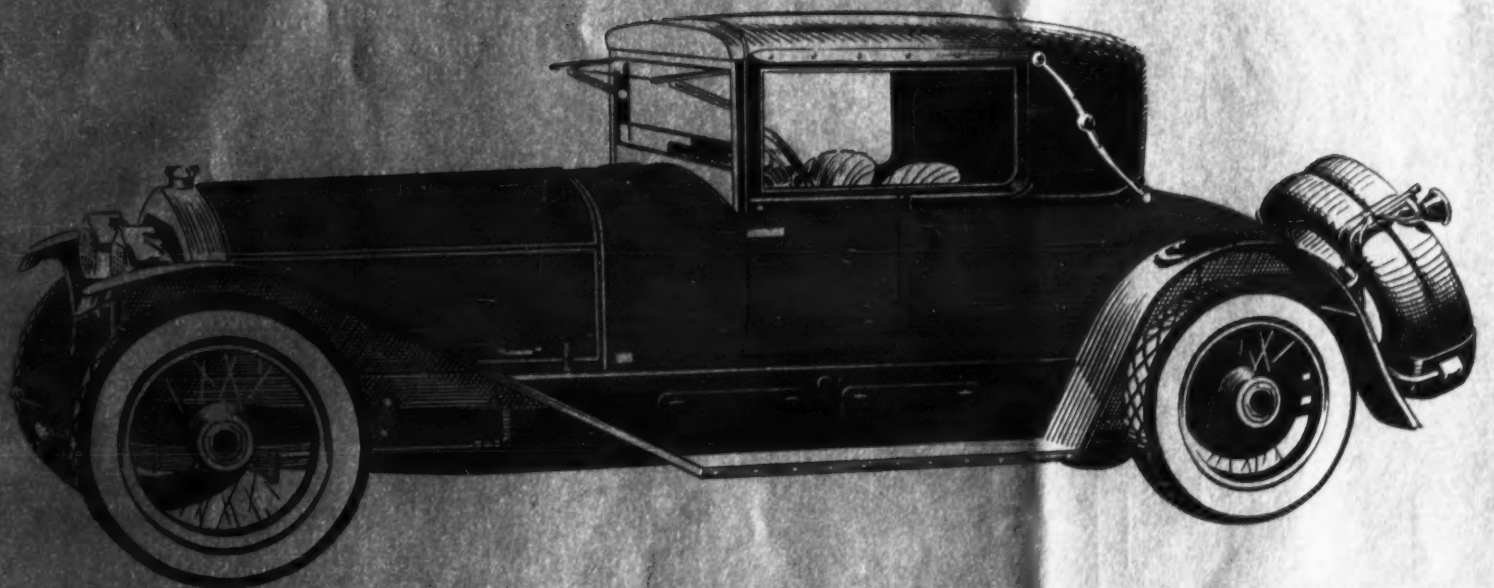
Plumbing Equipment—Major producers have boosted faucet, furnace, and other plumbing

items by about 5%. Increased demand from new construction is reported responsible for the plumbing equipment hike.

Crude Oil—A cut of 10¢ a bbl. in the price of crude oil at certain fields on the lower Gulf Coast has been made by Humble Oil & Refining Co.

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How to Live with Security Regulations

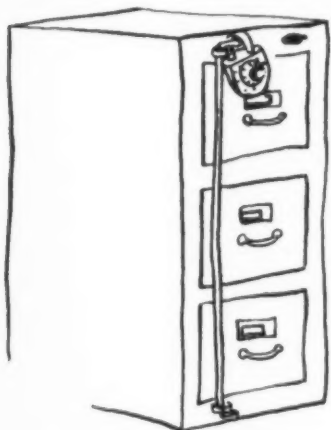
Admiral Lloyd Harrison Gives Purchasing Executives Instructions on Complying with Them; Rules not Difficult To Follow; Government Provides a Good Guide, but Trick Is to Interpret Instructions so as to Avoid Violations

Have you ever wondered what problems plague the purchasing department operating under government security regulations?

Lloyd Harrison (Rear Admiral, Ret.) who is vice president of procurement and quality control for McDonnell Aircraft Co. in St. Louis, thinks they are not exceptional. "Military security in purchasing is not a serious problem," he told PURCHASING WEEK, "at least not to the purchasing department."

"Purchasing aspects of military security lie in compliance with detailed operating instructions already developed. Purchasing under military security calls for more than unimaginative following of established instructions," cautions Admiral Harrison. These are some of the more complicated problems:

- All files must be provided with steel bars and locked



Special Precautions

with 3-dial combination locks. Disposed material must go into locked burn baskets.

- Where security is affected, the internal use of the telephone must be eliminated.
- Classified (confidential) papers, including drawings and receipts, are not mailed directly but processed through controlled mail rooms. "Top Secret" and "Secret" information must be sent by special messenger.
- Personnel must be screened carefully. Clearance for those to handle "secret" and "top secret" material may require several months.
- Placement of sub-contracts may depend on clearance. For priority items this may restrict choice to those suppliers already cleared.
- Many records, including the visitors' log and production control records, must be maintained for 10 years.

Admiral Harrison is a security purchasing authority. He was director of procurement for the Bureau of Aeronautics before coming to McDonnell. McDonnell produces the red-hot new Voodoo fighter for the Air Force. The firm must live by security regulations.

McDonnell's procurement function is divided into two sections. The purchasing division under W. J. Gamewell spends 20% of the company's sales dollars, using 318 employees. Sub-

contracting, headed by W. P. Becker, uses 134 employees to spend 31%. Only 75 actually buy. Others supervise handling contracts and inspect materials from 3,000 suppliers and sub-contractors.

Admiral Harrison says the most important thing in security is subjective and objective judgment. "Subjective judgment is needed," he says, "to interpret government instructions. Deciding the importance of military ideas in competing with a possible national enemy, or the practicality of keeping some demonstrations of equipment under cover requires subjective judgment."

"Objective judgment," Harrison continues, "is needed to comply with the detailed government instructions. It calls for system and personnel capabilities inherently present in purchasing organizations. They are dealing with specifications, time, delivery, and price requirements."

The headline-making nature of some notable conflicts in security matters may cause the purchasing agent some concern. But here are some of the tips Admiral Harrison offers:

There Is a Good Guide

It is a 37-page booklet, "Industrial Security Manual for Safeguarding Classified Information." Compliance with the 1956 revision is made a part of contracts and sub-contracts.

Any purchasing agent consulting this manual will find necessary answers. "But," as Admiral Harrison told PURCHASING WEEK, "its interpretation may require some good judgment."



Check with Manual

Covered in this manual are restrictions on handling all types of information, its reproduction and destruction, procedures for controlling visitors, and handling bid information. How to wrap classified information for transfer is included. The inner wrapping next to the classified data must always be destroyed by burning or pulping. The only exception is when it must be retained as tampering evidence.

Admiral Harrison said, "Many of the government restrictions are similar to the security checks existing in industrial plants on trade secrets."

Hiring Purchasing Personnel

One operating restriction which is a "must" is proper clearance of buyers and other personnel. Although McDonnell has recruited about two-thirds of its purchasing personnel from

outside, clearance must be obtained by McDonnell.

Authority to work on most classified material requires only that an employee is an American citizen with no unsatisfactory background. Clearance for confidential information can be handled by the company.

But clearance for "Secret" and "Top Secret" requires checking by the Dept. of Defense. It is wise to receive pre-employment information on a new employee.



Classified Employees

Processing his clearance cannot be initiated until he is on the payroll. Even for an existing employee, a "Secret" clearance should be anticipated. Otherwise the buyer's supervisor may have to review and transmit highly classified information for him.

In large firms already having several cleared employees in the purchasing department this may not be important. In a small company, it might seriously impede getting things underway.

And it is always prudent to know enough about the employee to avoid a clearance denial. It may affect the individual's reputation. "But as a practical matter," said Admiral Harrison, "such problems are infrequently met in purchasing organizations. The objective type of person interested in procurement tends to view clearance contacts with his neighbors as amusing."

Operating Safeguards

After clearance employees become accustomed to daily restrictions.

Classified material must not be left unattended. When leaving the office, a buyer must lock up material for which he is responsible. No classified information can be taken home. If locked in an ordinary key-locked desk, the desk must remain under guard.

Files must be provided with steel bars. Locked "burn" baskets must be available.

The usual lock is a 3-position, dial type combination lock from which the manufacturer's number has been obliterated. (unless the combination is changed after purchase.) Combinations are changed at least once a year, or oftener. If personnel having knowledge of it are transferred or fired, they are changed immediately.

Another safeguard the buyer soon grows accustomed to is the restriction on telephone messages. No classified information can be transmitted over the

phone, over intercom systems, or over other electrical means unless specifically approved.

Restrictions in Handling Information

Classified information is transmitted personally. When "Secret" information is transferred, even from one employee to another, a signed receipt is required.

For transmittal outside the plant to vendors or bidders, certain mailing precautions are observed on "confidential" material. Specifications, requests for bids, etc., can be sent by registered mail only if the addressee plant has security clearance.

Secret and top secret data must travel by cleared messenger. Precautions on wrapping in the controlled mail room, logging out, and receipting "tend to delay the operation," commented Admiral Harrison.

Dealing with Vendors

Controlling visitors, whether they are salesmen or sub-contractors is required. In general, purchasing visitors do not require clearance. But before any classified information can be given to them in order to submit bids or solicit orders, clearance of the visitor must be established. The buyer or purchasing agent must prove that "The visit is necessary and in the national interest."



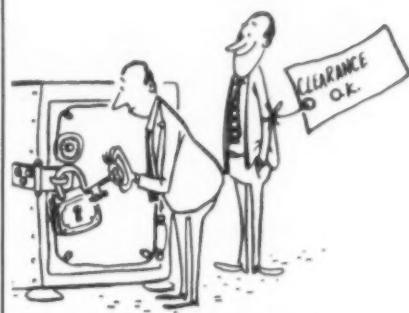
Classified Vendors

At McDonnell, visitors to purchasing who anticipate access to classified material are required to show their clearance. When the visitor enters the plant, he is then given a badge with a colored stripe indicating clearance. But it is still the purchasing employee's responsibility to determine "The need to know—that the visit cannot be achieved without access to classified material."

"The more important complications associated with military security in purchasing," said Harrison, "lie in the choice of lower-tier sources (subcontractors, and suppliers for a prime government contract.) The prime contractor is held responsible for checking suppliers' clearance."

Standard procedure calls for a plant survey in which members of the Military Department participate. If the vendor has never been in defense work before, a survey team may not be immediately available. And sometimes after a survey, a vendor must take time to make changes to gain clearance.

Advance clearance for a vendor, before he receives classified



Vendors Require Clearance

data, often is complicated. It may be that pressure for selecting a subcontractor is so great that it is impossible to wait. In such a case, the only choice is to offer the contract to a cleared supplier.

In the design of missiles and aircraft this places a special burden on purchasing. In order to take advantage of the creative and economic advantages of new vendors, buyers must work closely with engineering. Unless purchasing knows in time what new vendors may be depended upon for key design items, their services may be ruled out for clearance reasons. The final design may suffer.

Security Followup

In security matters as in other procurement functions, followup is important. Failure to abide by security regulations may endanger the company's defense contract.

Escorts for visitors must be setup to prevent salesmen and other purchasing visitors from wandering into classified areas. Lunch hours and coffee breaks must be scheduled so that some responsible person is on hand to protect classified information. Each area must have a delegated "security officer" to see that new buyers are fully acquainted with security rules. Checks must be made at certain periods, and always at the close of working hours, to insure that locks are in place and material put away.

Security officers must also be alert for human failings. In many firms only one or two persons are responsible for combinations and may try to help their memories by posting these numbers in inconspicuous places. But a government expert can quickly spot a combination posted on the last page of a memo pad disguised as a telephone number.

In some new organizations temporary badges may be issued without careful identification. Experienced inspectors can detect this flaw in the security system too by entering plants with crude imitation badges. Such flaws will jeopardize the company's standing.

"However," said McDonnell's chief of procurement, "it is perfectly practical to comply with military security requirements in the purchasing department without major difficulty. The greatest need is for foresight in anticipating trouble. If buyers can protect company trade secrets, they should have no trouble protecting national defense secrets."

Lack of Scrap-Handling Advances Hit in Talk to New England P.A.'s

Boston—American industry has not kept its methods of handling and marketing scrap apace with its advances in research and technology, a scrap market expert told New England purchasing agents.

Speaking at the October meeting of the New England Purchasing Agents Association, James A. Vaughn, president of New England Management Corp., listed five steps to improve scrap revenue:

1. Minimize scrap handling costs.
2. Establish methods to maintain natural segregation of waste materials.
3. Correctly classify scrap into marketable grades.
4. Supervise the over-all program as finally established.
5. Establish controls so that the program will become genuine practice.

Vaughn pointed out that while "usually the seller of goods knows as much if not more than the buyer, in the scrap industry, the reverse is usually true, namely, the buyer knows more about the value of scrap and its end uses than the seller."

"When properly segregated and prepared, practically everything of iron and steel, no matter how broken, bent, or rusty, can be combined with pig iron for the production of new iron and steel," Vaughn said. "In fact not for many years has the nation's capacity to produce pig iron been more than half its capacity to make new iron and steel."

Vaughn told the P.A.'s the same principles also apply to non-ferrous scrap and waste paper.

"Waste paper is a misnomer

since it is not waste paper actually unless wasted," he said. "It is really prime raw material in the wrong place. Its right place is the beaters and hydropulpers of the paper and box board mills where the fiber can be converted into paper and box board," he stated.

"Since this fiber never dies, unless destroyed by fire or other means," Vaughn told the P.A.'s, "it can be used over and over again."

Nacelle Cover Explained To Purchasing Men

Seattle, Wash.—The function of a jet engine nacelle cover is explained by Roger W. Jones, left, president, Seattle Tent & Awning Co., to several members of the Purchasing Agents Association of Washington during a plant tour Sept. 25. Looking on are, left to right, Bill LaStadius, Puget Bridge & Dredging Co.; Loran Kraeger, Puget Sound Power & Light Co.; and Carl Weber, Luckenbach Steamship Co.



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Houston P.A.'s Form Chemical Buyers Group

Houston—A Chemical Buyers Group has been organized in the Purchasing Agents Association of Houston.

Twenty-eight members attended the first meeting and elected the following officers: D. E. Newton, Jr., Union Carbide International, chairman; H. Field, Jr., Ethyl Corp., vice-chairman; W. J. McSherry, Napco Corp., secretary; and W. B. Kirkland, Baroid Division, National Lead Co., treasurer.

Members of the Houston Petroleum Industry Buyers Group, at their first meeting of the season, elected R. M. Zama, Continental Oil, as Chairman, and J. E. Means, of Houston Natural Gas, as vice chairman and secretary.

Newspaper P.A.'s Group Will Hold Conference

Chicago—The second annual conference of the Newspaper Purchasing Executives Group will be held at the Sheraton Hotel here Jan. 30-31.

All newspaper purchasing personnel are invited. Registration fee is \$10. Requests for registration blanks and further information should be addressed to Daniel J. Lewis, Purchasing Agent, The Christian Science Monitor, One Norway Street, Boston 15, Mass.

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New Purchasing Department Differs From Old, Grand Rapids P.A.'s Told

Grand Rapids, Mich.—Five concepts which distinguish the new purchasing department from the old were outlined at a recent meeting of the Grand Rapids Association of Purchasing Agents.

Frank Rackley, president, Jessop Steel Co., listed them as:

1. Purchasing is not a service function but a profit-making activity.
2. Where materials are a large part of the total cost, procurement is best handled as a separate and distinct function by reporting directly to the chief executive or to some other top level operating executive.
3. The real purchasing job starts long before specifications and requisitions are written.
4. Purchasing needs and deserves highly trained competent personnel on par with any other department of business.
5. Purchasing should be represented in top operating councils.

The 42-year-old head of the Washington, Pa., steel firm, said the purchasing revolution is just

getting started. The profession has not yet received the attention and emphasis it deserves.

To accomplish the factors listed above, Rackley asserted, the whole organization must be reoriented in its attitude to the purchasing function and the role of the purchasing department in company affairs. Top management must lead the way in this effort, he said, because the purchasing department cannot do it alone.

Watch Economic Curve, St. Louis P.A.A. Told

St. Louis—George W. Coleman, economist with the Mercantile Trust Co., advised St. Louis P.A.'s to watch the economic curves rather than keep their eyes glued to day-to-day events.

Coleman, speaking at a recent St. Louis P.A.A. meeting said that businessmen are becoming more concerned about the possibility of inflation, but he believes they are anticipating somewhat more inflation than may actually occur.

Prices of sensitive commodities which would be the first to feel

inflationary pressures, the St. Louis economist-banker, continued, are now below the levels that prevailed immediately after World War II, and less than two-thirds of the level reached at the time of the Korean crisis.

Coleman said a period of mild recovery is likely but not enough to bring the economy back to levels reached in early 1957.

Chicago P.A.'s Hear Full Abilities Not Used

Chicago—"The P.A. of today is frustrated and hungers for recognition as part of top management," Chicago P.A.'s were

told, "because, in most cases, the full range of his abilities are unused."

The solution, according to Andrew M. Kennedy, Jr., vice president in charge of purchases and traffic, Westinghouse Electric Corp., is for the P.A. to "sell top management on the unique versatility of his abilities and aggressively involve himself in problems other than procurement."

Speaking to Purchasing Agents Association of Chicago Oct. 9, Kennedy added, "We have an inferiority complex concerning our profession." He challenged P.A.'s to develop a broader concept of their job.

Northwest Public Buyers Name Reeves President

Victoria, B. C.—Robert O. Reeves, buyer for the state of Oregon's purchasing division, was named president of the Pacific Northwest Public Buyers' Association at its convention here Sept. 25-27.

Reeves succeeds J. A. W. Chadwick, purchasing agent for the National Harbors Board, Vancouver, B. C., who was elected vice president. W. Harold Eister, P. A. for the Tacoma School District, Tacoma, Wash., was named secretary-treasurer.

John W. Harding, purchasing agent for the University of Washington at Seattle, was the principal speaker at the convention attended by public buyers from Washington, Oregon, and British Columbia. He outlined his program for the training of public buyers at the university.

Evansville P.A.'s Hear Lecture on Plastics

Evansville, Ind.—Members of the Purchasing Agents Association of Evansville heard all about plastics at their Oct. 9 meeting.

D. A. Rothrock, general sales manager of the plastics division, Rohm & Haas Co., Philadelphia, principal speaker, chose "Looking at a Chemical Company Through Plastic Glasses" as his topic.

William Schrawder, director of purchases, Shane Uniform Co., conducted the "Problem Clinic" on source selection.

Oregon P.A.'s Greet Head

Portland, Ore.—Over 60 members of the Purchasing Agents Association of Oregon greeted John R. Hairgrove, N.A.P.A. District 1 vice president, at the group's Oct. 7 dinner meeting.

Association members toured the packing plant of the North Portland operations of Swift & Co. Sept. 30.

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McGraw-Hill's National Newspaper of Purchasing

Print Order This Issue 26,633

Contribute More, Rank Higher

There are many ways to look at the field of purchasing. Just how you look at it depends to a great extent on your vantage point. If you are a young man new to the field, in all probability you look upon purchasing as a dynamic profession; it is one replete with changes. On the other hand, if you have been in purchasing for a few years, you may have become blase, convinced that you know everything there is to know about purchasing. And that all-knowing attitude is the introduction to becoming an "old timer."

For when you become an "old timer," you recognize the value of changes. But you are not in favor of changes merely for the sake of making changes.

Purchasing can and should be an ever-changing field. But it also is a profession that needs constant adherence to fundamentals.

Gordon B. Affleck, president of the National Association of Purchasing Agents, in speaking at recent district conferences has stressed the need for continually reappraising fundamentals in purchasing operations. There can be no sounder advice.

There is a need, too, for being receptive to changes. Resistance to change is not something peculiar to purchasing. It is found throughout business. G. A. Fadler, director of purchases, Westinghouse Electric Corp., claims "resistance to change is a perennial booby trap in business."

How you and your purchasing department rank in your company depends not so much on what top management thinks of the purchasing function but more on what you, as a purchasing agent, are capable of contributing. Mr. Fadler recently made some very pertinent comments in this area. He said:

"There are all kinds of purchasing departments. In some companies, purchasing people are expected merely to confirm decisions by writing orders to the suppliers others have chosen, by scheduling as others have instructed, and even by turning over the expediting of materials to other departments. In other words, they type the orders and check the bills.

"At the other extreme, management may hold the purchasing department responsible for obtaining the maximum value for every dollar the company spends and for providing everything the plant needs, when it is needed. The department must often base its plans to this end on nothing more substantial than a sales forecast, and it is expected to maintain an inventory of next to nothing.

"In some companies, management turns to purchasing for advice on trends in future markets and expects it to reduce the cost of the company's product through its procurement knowledge and negotiating skill. Still other organizations push their purchasing people into a dark corner of the office and give them everyone else's paperwork. In general, it can be said that what a company's management expects of its purchasing department is a reflection of that department's capability, not of the management's abstract conception of the responsibilities of a purchasing organization."

Yours is the choice to make. If you have a definite contribution to make, top management will accept it; for the men who make up top management are faced with the same generalization with which we started:

There are many ways to look at the field of purchasing.

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Your Follow-Up File

No Central Rate Source

Chico, Calif.

Although your newspaper is primarily a "purchasing information" paper, you deal with traffic problems as well, and I, along with many of your other readers, am interested in cutting transportation costs.

Can you tell us where we may obtain copies of the various rail, truck, and steamship rates that are published throughout the United States.

R. L. Wescoatt

Purchasing Agent

Victor Industries Corp. of California

• There is no central source. Copies of rail tariffs may be obtained by requesting them from each railroad. Truck tariffs must be purchased from the various motor truck conferences throughout the country, and steamship tariffs also must be purchased from individual lines.

Books Are Only Supplemental

Wichita, Kan.

I am interested in your article on "Salesmen 'Pound Books' at Rutgers to Learn About Purchasing Men" (Aug. 25, p. 1).

I think it is a very good idea for a salesman to learn about purchasing men, and it is just as good an idea for purchasing men to learn about salesmen.

I am wondering if you have the information as to the books that are being used for this course. Your help will be appreciated.

J. M. Pierce

Purchasing Agent

The City of Wichita

• They devise their own test material and use no outside books. However, in their study guides at the end of each subject discussion they list suggested reading.

Fishy Back Attracts Reader

Johnson City, N. Y.

An article recently appeared in your magazine regarding transportation via "fishy back." This compares to the railroads' "piggy back."

Any information that you might give us where we might obtain additional data on this will be greatly appreciated.

We cannot locate the particular issue in which this article appeared.

Jack Woertler

Plant Manager

Azon Corp.

• We have had several articles on "fishy back": "Matson Starts West Coast 'Fishy-Back' Operations" (Sept. 15, p. 20); "Package Freight Revived on Lakes; First Move Around Labor Day" (Aug. 18, p. 1); "Alaska Freight Begins 'Fishy-Back' Service To Anchorage, San Francisco, and Los Angeles" (April 28, p. 15); and "Fishy-Back—It Carries Freight Across Water in Original Car or Trailer" (Feb. 24, p. 14.).

The Pamphlet Can Be Bought

Middletown, Conn.

We noticed an article on "How To Find Out About Surplus Sales" in your Sept. 1 issue, page 13.

It stated that the General Services Administration has an informative pamphlet, "Guide Information for Potential Surplus Buyers." However, in writing directly to the General Services Administration they state they have no knowledge of such a pamphlet.

We wonder if you would know where this information came from and to whom we might write to secure the material.

Arthur J. Martin, Jr.

Sales Coordinator

Jarvis Corp.

• It is available from Robert T. Griffin, Chief of Sales Branch, General Services Administration Central Office, 18 and F Streets, N.W. Washington 25, D. C.

Wants Reprints of Articles

Hicksville, N. Y.

I would like two reprints each of your two excellent articles:

"How Purchasing Men Can Keep Their Health" (Aug. 25, p. 12) and "Copying Machines Will Reproduce Written Material Quickly and Cheaply" (Sept. 29, p. 18).

Thank you.

William F. Ruzicka

Manager of Purchases

Sylvania-Corning Nuclear Corp.

Modest Contributor Generous

New York, N. Y.

Wholly apart from my own slight contribution ("Seven Experts Explain Why This Is Modernization Time," p. 22), I found your Oct. 6 issue very instructive and very interesting.

William G. F. Price

Vice President

The Chase Manhattan Bank

Healthy Advice Proves Popular

Middleboro, Mass.

One of your recent issues carried an article on a doctor's suggestions for keeping the purchasing agent healthy ("How Purchasing Men Can Keep Their Health," Aug. 25, p. 12).

I have mislaid my copy of this issue and wonder if you would be kind enough to send me a reprint.

S. H. Flanders

Purchasing Agent

Maxim Motor Co.

To Our Readers

This is your column. Write on any subject you think will interest purchasing executives. While your letters should be signed, if you prefer we'll publish them anonymously.

Send your letters to: "Your Follow-Up File," PURCHASING WEEK, 330 West 42nd St., New York 36, N. Y.

PURCHASING WEEK Asks You . . .

What is your formula for maintaining good vendor relations?



J. S. Babiy
Permacel Tape Corp.
New Brunswick, N. J.

"Honesty between vendor and supplier generates good relations. Most problems that may occur are generally the result of one trying to 'outsmart' the other. Basically, the fundamental Golden Rule is the best formula. We try to give our vendors every consideration and not cry 'wolf' any more than we have to. We are fair in our demands and thorough in our specifications."

C. M. Vernon
Dan River Mills, Inc., Danville, Va.

"'Oh Lord, treat me tomorrow as I treat others today' is a sentence I keep taped in my desk. Satisfactory relations are usually the result of mutual respect. We try to earn this by dealing fairly and with integrity, never refusing an audience without full explanation, avoiding misstatements of facts, never crying 'wolf' about our rush needs, and refusing to participate in plans involving elaborate entertainment or significant gifts."



F. S. Gagnier
The Cuno Engineering Corp.
Meriden, Conn.

"In order to maintain good vendor relations, a sense of integrity and fairness is important. In keeping with this point is the manner in which a purchasing agent deals with a supplier's representative. Quick and courteous attention is very important. It is not always possible to be as prompt as one would desire but this situation when handled properly is always understandable and appreciated."

E. R. Bruenger
Watlow Electric Mfg. Co., St. Louis

"My formula is: All interviews are prompt. When there is a long delay the salesman is personally informed with a choice to call back or wait. During interview past orders are discussed and salesman is informed as to why he didn't get a particular order. Prospects for future orders are discussed and personal conversation is kept to a minimum. Inspection is immediate and the vendor is informed about rejects and what action is required."

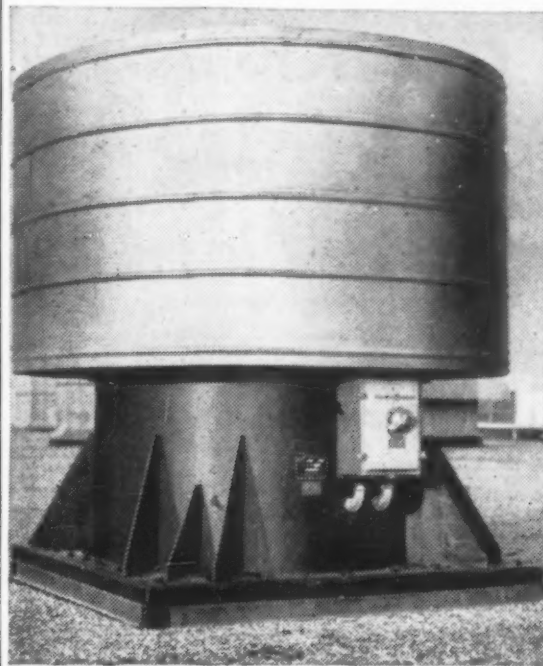


M. D. MacBurney
Witco Chemical Co., Inc., New York

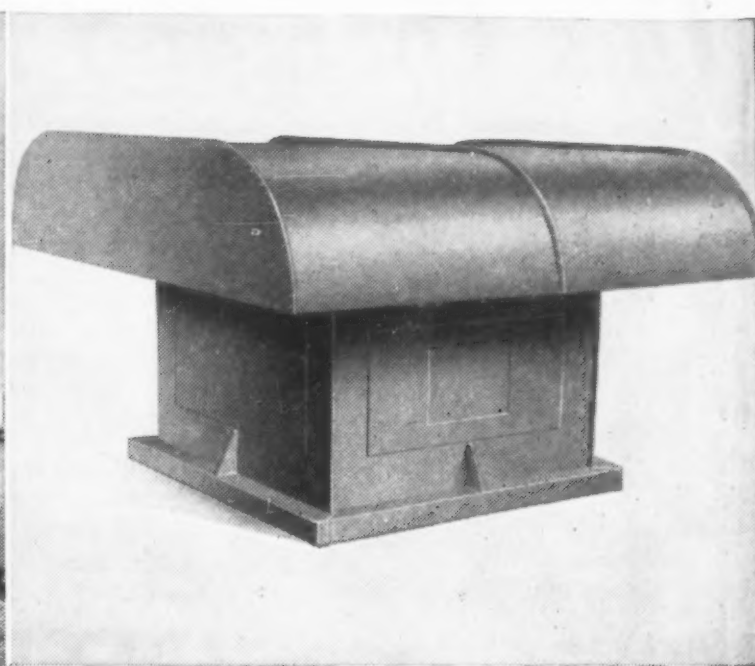
"Every vendor is another firm like my own and I respect it as I would my own company. Fairness in our dealings and consideration of the vendor's problems are of prime importance. By working together, the greatest profit for both firms is the result. My salary and that of the vendor's salesman are based on performance. A personal relationship is of the utmost value. Confidence breeds confidence, distrust—distrust."

N. J. Osborne
Sunshine Mining Co.
Spokane, Wash.

"To maintain good relations be specific in demands and inquiries; know what you want and when it is needed. At all times be fair and as impartial as possible. Be courteous and if adverse criticism is necessary give it in an impersonal manner. Remember that all of us are human and like to be so treated. Finally, approve invoices for prompt payment and within indicated discount time."



"Buffalo" Style "V" Sky-Vent



"Buffalo" Style "H" Sky-Vent

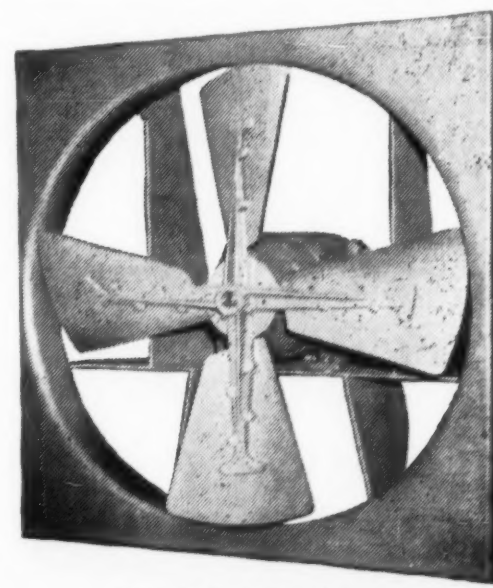
"BUFFALO" PACKAGE VENTILATION

... ON THE ROOF AND OUT OF THE WAY

"Buffalo" Sky-Vent Roof Ventilators provide high-volume exhaust for large plant areas not adjacent to outside walls, or where duct work is impractical. Located on the roof, they do not interfere with future plant modifications or take up floor space. Installation is relatively simple, since "Buffalo" Sky-Vents are delivered as complete packages, including fan, motor, housing, hood and curbing. Already in extensive use, these highly efficient and trouble-free units are available in the two styles shown, with "Buffalo" Propeller or Axial Flow Fans, in 12" to 120" sizes to exhaust 1,000 cfm to 250,000 cfm of hot air, fogs, and fumes. Construction is sturdy, rigid and weather-proof. Write for Bulletin FM-1234 for all details.

... OR EASILY MOUNTED IN WALLS, WINDOWS OR OVERHEAD

Husky, efficient "Buffalo" Design 53 Propeller Fans are self-contained, ready-to-run units in 24" to 120" sizes to exhaust 5500 to 250,000 cfm anywhere needed. Their rigid, die-stamped square panels are designed for easy fitting in wall openings or overhead mounting on structural support. Efficiencies and low noise characteristics are unusually good, too, due to the properly shaped blades, slow rotor speeds and close clearance between blade tips and the smoothly curving inner periphery. Available in special construction for a wide range of temperature and corrosive fume applications. Full details in Bulletin FM-315, your copy on request.



"Buffalo" Design 53
Package Propeller Fan



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BELTED VENT SETS PROPELLER FANS "E" BLOWERS-EXHAUSTERS

This Changing Purchasing Profession . . .



James R. Dysert has been assigned the new post of director of purchasing by **Pendleton Tool Industries, Inc.**, Los Angeles, following consolidation of purchasing responsibilities of the firm's seven subsidiaries and two divisions. Dysert had been in charge of purchasing at the main Los Angeles plant the last 10 years.

Robert O. Baxter, former purchasing executive, has joined **Magnetic Amplifiers, Inc.**, of

New York and El Segundo, Calif., as assistant treasurer. Formerly with **Servo Corp. of America**, Long Island, N. Y., he had held the post comptroller of manufacturing and before that served as director of purchases and chief accountant.

Robert Keller has joined **Narda Microwave Corp.**, Mineola, N. Y., as buyer. He had been with the purchasing department of **Narda Ultrasonic Corp.**, Westbury, L. I., N. Y., a subsidiary.

Harry S. Livengood has been named business manager and purchasing agent for **Lenoir Rhyne College**, Hickory, N. C. He had formerly been business manager and treasurer of the Salisbury, N. C., city schools.

Brown, 85, retired purchasing agent for the Hollywood Plaza Hotel died Sept. 28.

He is survived by a son, daughter, grandson, and two great-grandchildren.

G. W. Seelbach

New York—George W. Seelbach, 61, purchasing agent for Chase Bag Co., died Oct. 4.

Surviving are his wife, two daughters, two sisters, and four grandsons.

Obituaries

L. M. Brown

Los Angeles—Lawrence M.

McKNIGHT KINNE has been promoted to assistant to the director of general purchasing at **Armco Steel Corp.**, Middletown, Ohio. He joined the firm in 1937 and has been a member of the purchasing department for the last eight years.

Philip C. Blair, supervisor of purchasing and stores at **Shell Oil Co.**'s Albany, N. Y., division office, was honored recently for 35 years service. He received a diamond pin at a luncheon meeting at the Fort Orange Club.

Robert C. Sackett has been appointed procurement manager of **Safeway Stores' Bakery Division**, San Jose, Calif. He will be responsible for purchasing supplies used by the division's 27 processing plants. He had formerly been company manager of a subsidiary, **Famous Cereals Co.**, Bonner Springs, Kan.

Jack G. Briner, former purchasing director of the **AC Spark Plug Division, General Motors Corp.**, Milwaukee, has been made director of field service. **Michael P. Lauret**, contracts manager, becomes purchasing director.

Richard W. Loyst, purchasing supervisor for **Crown Zellerbach Corp.**, has been transferred from the Lebanon, Ore., paper mill to the firm's new St. Francisville, La., mill.

Warren S. Williams, an N.A.P.A. member, has been promoted to manager of printing services by **Gates Rubber Co.**, Denver. Williams had been in charge of printing production and prior to that had been in the firm's purchasing department.



RODERICK H. SEARS has been made director of purchases by **Scott Paper Co.**, Chester, Pa. Since 1956 he served as manager of the Fort Edward, N. Y., plant with additional responsibility for the South Glens Falls, N. Y., facilities.

INTRODUCING THE GREATEST QUALITY OFFERED ON CORRUGATED

Mead Containers, Inc. guarantees every Mead Bonded Shipping Container meets or exceeds I.C.C.-approved quality standards—and a \$500,000 bond backs this up!

MEAD BONDED CONTAINERS

Now, Mead Containers, Inc., unconditionally guarantees the quality of every Mead container—bringing you new packaging safety.

Mead offers you this great, new protection because Mead Bonded Containers consistently equal or excel specification requirements set up under Rule 41, Uniform Freight Classification and Rule 5, National Motor Freight Classification. This means you get the finest materials and strongest construction in every Mead Bonded Container. And you get complete protection against damage resulting from sub-standard packaging.

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Mead can make this guarantee because quality controls make certain every Mead Container is of consistently high quality. Mead Bonded Containers and services are available in most major marketing areas. For full facts about this great new shipping protection, write or call your nearest Mead office.

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Subsidiary of **THE MEAD CORPORATION**

Hawaiian Textron Sets Savings and Shipping

San Francisco — Hawaiian Textron, Inc. has announced new container tariffs offering substantial savings to shippers. The revised rates were planned as an incentive to utilize the company's containerization program in Pacific Coast-Hawaiian Island freight service.

Approved by the Federal Maritime Board, the tariffs permit delivery of empty containers to shippers without charge within 50 miles of the company's major ports of call—Long Beach, Stockton, Oakland, Alameda, and San Francisco. The

company said that operations under this schedule offer up to \$2 per ton in savings. Among those products to which lower prices are applicable are canned and preserved food stuffs, roofing and building materials, and soaps.

Research Expenditures To Equal or Exceed '57

New York—Expenditures this year for research and development will equal or exceed those of 1957 for the majority of companies polled by the National Industrial Conference Board.

Of the 140 firms replying, 59 say research outlays will be higher

than last year's, 50 say they expect them to equal 1957, and only 31 anticipated a cutback in research expenditures.

The N.I.C.B. survey revealed 71% of the participating firms have formal research and development budgets to control these expenditures, and that they consider and evaluate research proposals prior to their adoption.

P.A. 'Educates' Council; Low Bidder Wins Out

High Point, N. C.—City Council hassled for three days over the familiar problem of whether to award a bid to a local firm or to

accept a lower out-of-town bid.

City Purchasing Agent A. R. McMullan objected when High Point City Council recently awarded contracts for police and fire uniforms to a High Point firm which had bid \$600 higher than the low bid of \$7,000. McMullan warned the practice of awarding contracts other than to low bidders could jeopardize the city's buying position.

Two days later, after the city attorney advised the councilmen they were obligated to award the contract to the low bidder unless there was a "compelling" reason not to do so, council reversed its earlier award and chose the out-of-town firm.

Manager Reports On City Buying

Watertown, N. Y.—Ronald G. Forbes, Watertown's forward-thinking city manager, has taken to the air waves to describe the methods and functions of the



RONALD G. FORBES
Speaks on Purchasing

city's purchasing department. In a series of weekly talks on various aspects of city government over radio station WWNH, public relations minded Forbes has devoted several to purchasing.

Forbes contrasted the intricacies of governmental purchasing with purchasing in private life. He also briefly outlined some of the laws governing municipal purchasing procedure.

As Forbes puts it, "The purpose in giving the talks is to present information to the citizens about their city government. It's their city government and they are entitled to know something about how it works."

California International Fair Set for April 1-12

Los Angeles—California is sponsoring a California International Trade Fair and Industrial Exposition here April 1-12, 1959. Manufacturers of nearly 70 free nations have been asked to exhibit their items for the American market, and California manufacturers will display their machinery, tools, equipment, and technologies.

The trade fair has been declared a tariff free event by Congress, and Vice President Richard Nixon has endorsed it as supporting the Administration's foreign trade program.

For further information, contact Fred Imhof, manager, Box 77610, Station D, Los Angeles 7, Calif.

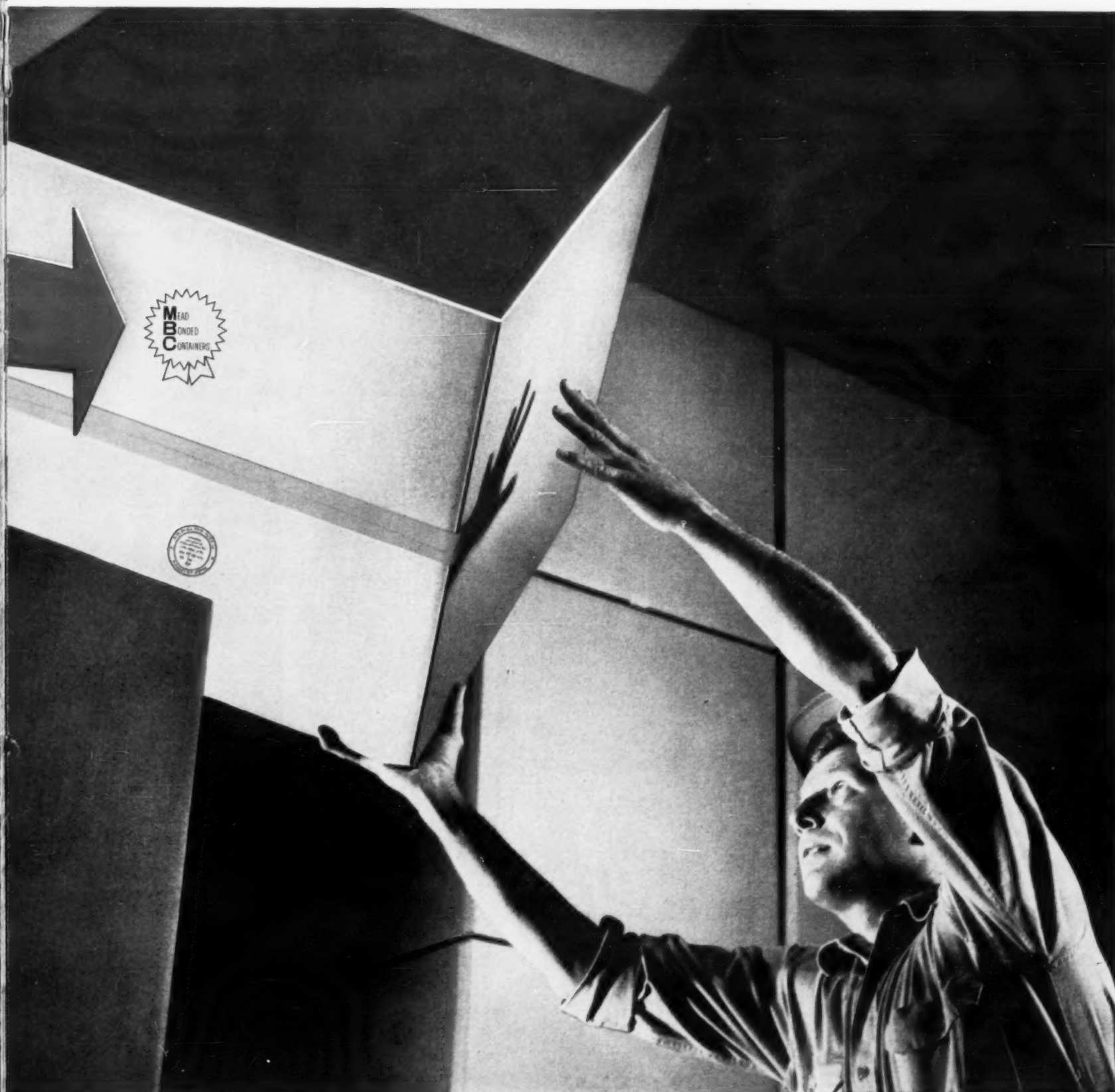
Worst of Recession Over, Du Pont Says

Wilmington, Del. — Delaware P.A.'s know how the state's biggest industry feels about the country's economy.

Du Pont economist Dr. Charles B. Reeder, speaking at the Oct. 6 meeting of the Purchasing Agents Association of Wilmington, said "We feel quite encouraged by the business outlook. We feel the worst is behind us."

Reeder said the consensus of economists is that business has passed the low point. The high level of federal spending together with a continued high level of consumer income, and a willingness to spend, will keep the improvement steady but it will not be spectacular, he said.

GUARANTEE EVER SHIPPING CONTAINERS!





1. P.A. with a product in his hand gets a bright idea. 2. Idea sparks call to engineer for meeting on product possibilities. 3. Int

P.A.'s Enterprise Results in an Improved Electric



4. The three thrash out prices, delivery schedules, design modifications, and a decision to buy is made. 5. Assembly line mates c



Production brings the three key people—salesman, engineer, P.A.—together.

c Range

Douglas Polite is an alert, product-conscious P.A. at Admiral Corp.'s Galesburg, Ill., plant. Polite had a chance to demonstrate his intimate product knowledge when he started the ball rolling on a major improvement in his company's electric ranges. The pictures show how he first spotted the potential of a product, a combination outlet and circuit breaker offered by Federal Pacific Electric Co. and how he exploited it.



Company's electric range with product. It serves as both outlet and breaker.



6. Result of P.A.'s product know-how shows up in kitchen.

New Product Development Bringing Additional Responsibilities to P.A.s

New York—The next ten years will see an upsurge in new product development. Purchasing, therefore, must be ready to face greater responsibility in the area of cost.

The need for getting purchasing into the picture early was pointed out at a special American Management Association conference Oct. 8-10 on "Planning Products That Sell." Discussing the problem of integrating the over-all research and development program in a company, D. W. Karger, manager of New Product Development for The Magnavox Co., Fort Wayne, Ind. said:

"All departments concerned with a new product should be incorporated into the development at an early stage. The reason is simple, sometimes you don't realize you have a competitive product in the making."

"However, when the other departments

come in, define the area of high cost and help the research and development department cut away these costs—particularly material costs—then you may well find that you do have a competitive product."

Karger explained that the principal reason for integrating other departments into a new product development program "is primarily because of cost and secondly, to aid in getting production tooled and started on schedule."

He felt the departments that should work as a team are engineering, production, purchasing, marketing, advertising, accounting, and finance.

"True these people do not contribute to the basic design concept," Karger added, "but they are able to modify engineering thinking into more practical channels."

Other research and development executives

agreed that "excessive cost is a continual barrier to the success of a new product."

It was stressed that if both parties—the research engineers and those involved with cost—can be made to understand the other's problem and their collective relationship to the effort, then the problem of cost and getting a competitive product can be whipped.

"Just how these people are integrated into the problem," added another business executive, "not only depends on the organizational structure involved, but also upon the personalities and capabilities of the individuals."

Cobalt, Tungsten Probe Of Import Rules Begun

Washington—The Office of Civilian and Defense Mobilization is studying the possible effect of import restrictions on cobalt and tungsten. The government opened a formal investigation last week to determine whether foreign shipments of the two metals to this country should be curbed.

The investigation was ordered under provision of the Reciprocal Trade Act barring imports which threaten the welfare of domestic industries considered essential to national defense. The Tungsten Mining Corp. and Howe Sound Co. petitioned for the investigations.

In another decision involving metals last week, the O.C.D.M. announced it will continue to divert all government stocks of nickel to civilian markets for a third consecutive year during 1959.

Army Saving Money On Standardization Move

New York—Standardization is helping the U. S. Army save money for taxpayers.

Coordinated standardization work enabled the Ordnance Corps to eliminate about 82,000 items from its inventory during the period July 1955 to March, 1958. About 20,000 unnecessary sizes and types of nuts, bolts and rivets were included in the total.

Engines is another area of progress. One engine has been adopted for six different vehicles, in contrast to World War II when five different engines were often used in one tank. Tires have been reduced to 95 standard sizes from 1,750 used in World War II. Sixty-one of 73 spark plug types now in use will be eliminated.

Copra, Coconut Oil To Dip in Demand

Washington—A falling off in world-wide demand for copra and coconut oil for soap-making, heralding a probable drop from today's high prices, may come next year. So say reports reaching here from Tokyo where commodity specialists of 15 Asian countries met recently.

The experts, noting that supply and demand for copra, in particular, often runs counter to other fats and oils, came up with this forecast:

An early halt in the expansion of output that has been on the last few years due to drought in some major producing areas, political troubles in others, and the removal of the U. S. processing tax. But, good rains and a return to political stability in Indonesia next year should bring a resumption of the output rise.

Continued high prices throughout 1958, but a good chance of some softening next year due to competition in Western European margarine markets from large supplies of other edible vegetable oils.

World trade in copra and coconut oil, however, may not match the expected rise in output next year, and for some time thereafter. Many producing countries are upping their own consumption of these products and foreign customers, soap and margarine makers, mainly—will be turning increasingly to competing materials.

The 15-nation group met in Tokyo under auspices of the United Nations Food and Agricultural Organization.

Midwest States Teaming To Get More Industries

Minneapolis, Minn.—Six Midwest states organized a Midwest Business Opportunities exhibit at the Minnesota State Fair Grounds in St. Paul, Oct. 15-17.

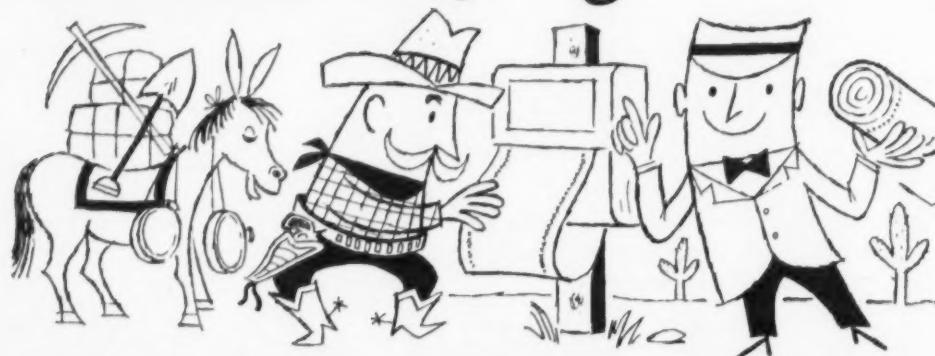
Purpose of the exhibit is to bring more defense as well as civilian production into the area. It will serve as a centralized meeting place for companies seeking production outlets here, firms on the lookout for added business, and federal procurement agencies who let government contracts.

Suppliers of industrial goods from all over the country are invited to participate. Space reservations are being taken by J. W. Clark, commissioner of the Department of Business Development, 213 State Office Building, St. Paul 1, Minn.

No matter who you are ...



the easiest way to get



cotton towels, uniforms & linens



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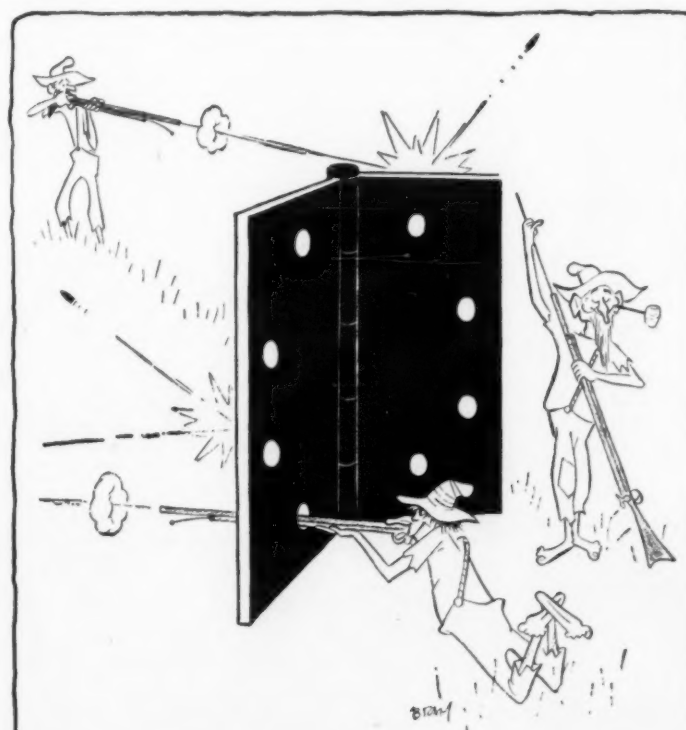


Note: No investment, no maintenance, no inventory. Everything is furnished and serviced by your linen supplier, at low cost, and tailored to your needs.

You only call once to arrange for regular, dependable delivery of all your linen requirements. You get the luxury and quality of cotton cloth. (And, of course, there is no substitute for cloth.) The nearest Linen Supplier is no further away than your telephone. Call today.

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New Data Processing Application May Save for Texas Instruments

Dallas, Tex.—A new application of data processing equipment is expected to save the purchasing department of Texas Instruments, Inc., \$14,500 annually. The saving will be made for the apparatus division.

The soon-to-be completed installation, which T.I. believes is the first of its kind in purchasing will pay for itself in less than a year by eliminating tedious, costly, manual operations in handling complicated purchase orders.

An I.B.M. computer typewriter system, scheduled for installation by November, combines the advantages of automatic typing (via edge-punched cards), computing, and direct output cards, and yet affords the flexibility of manual typing.

Adaptation of Equipment

The unique feature of the T.I. set-up is the combination and adaptation of equipment which eliminates one step (paper tape) and one machine used in similar installations.

T.I.'s apparatus division produces military airborne equipment; thus its inventory varies with each contract. Most items are non-recurring, but occasionally contracts have similar material with some recurring procurement, and much recurring information.

With the division processing about 30,000 purchase orders annually, Purchasing Agent Frank Wodrich called for automatic data processing as necessary to simplify repetitive procurement. The complicating factor was that so much information must be put on purchase orders manually because of the changing type of inventory.

Studied Problem

Wodrich and assistant P. A. Bill Scott, aided by an industrial engineer, made a four-month study of the problem. Because equipment exactly suited to T.I.'s needs was not available, several basic compromises were necessary. Finally selected was an IBM 632 electronic typing calculator, an attachment to adapt the machine to handle edge-punched cards for in-put information, and an Alpha-Numeric card punch to produce item cards as a by-product of the automatic typing function.

The main difficulty in establishing the set-up was in meeting T.I.'s special requirement for integration of the three functions. Tape was not wanted because it would require filing and require an extra operation to put taped information on cards. So special intercouplers were designed to make it possible to go directly from the typewriter to the punched cards without having tape as a byproduct.

To Contain Information

The output cards are to contain the pertinent information on purchase orders and will be run through T.I.'s IBM 650 to compile statistical data needed for the purchasing operation.

The cost breakdown was simple: \$12,200 for the electronic typewriter plus intercouplers; \$700 for rental of the card punch; \$1,100 estimated for setup, which is the time required to

train typists and program the IBM 650. Total: approximately \$14,000.

Elimination of manual operations will result in savings of \$9,000 on advance purchase commitment reports to engineering, \$1,000 on advance commitment reports to accounting, and \$6,600 in purchasing operations (typing, computing, extension, etc.) for an annual total of \$16,600 less about \$2,000 for tab room, rental, and maintenance.

Some of the purchasing pro-

cedure changes to come with the installation include:

1. An unnumbered continuous form purchase order, replacing individually numbered purchase orders. Gummed tape numbers will be used.

2. A new edge-punched purchase analysis card which will be carded with part number, mil spec, commodity code, etc and be automatically typed with the purchase order.

3. New edge-punched vendor address cards, containing small/large business requirement and vendor code.

4. Edge-punched traffic cards, contract cards, and instruction clause cards for special purchase orders.

Under the system, purchase requests go to a clerk who attaches an edge-punched purchasing analysis card or types an analysis card for new items. The requests then move to a buyer for quotes, ordering, and numbering; buyer indicates only vendor's name, basic order rating, and bid price. A typist then feeds the cards to the typewriter which will stop automatically at correct spots for manual insertion of purchase date, delivery date, quantity, price, delivery point, inspection and other information. The typewriter then automatically extends the price and computes an order total.

As the typewriter operates, cards are obtained from the

Alpha-Numeric card punch for compilation of such statistics as: committed dollars by month, by project or accounting charge, and by buyer; dollars spent by the division and by commodity; business volume; over and under-bid statistics by buyer; and bill of purchased material by project.

The basic system also will allow for addition of other potential data procession functions at a later date, benefiting not only purchasing but cost accounting, the controller, production, and engineering.

T.I.'s Wodrich and Scott are sold on the idea that some type of automatic data installation now is within reach of small as well as large companies.



WHAT'S NEW WITH ALUMINUM

A page of new products and availabilities for the interest and information of the purchasing agent. If you would like detailed literature on each subject, mail the coupon below.

1. Bright finish welding wire

Now an entirely new type of *bright* welding wire for MIG and TIG welding processes is available for high strength welding... Kaiser Aluminum's King* brand welding wire.

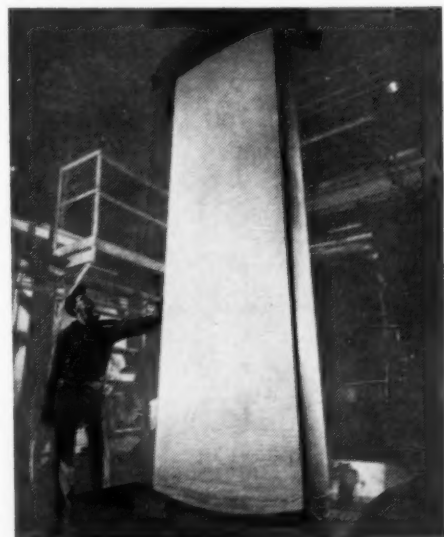
It's available in a complete line of welding rods and electrodes in a broad range of alloys—including new all-purpose alloy 5183, developed specifically for welding the high strength magnesium-bearing aluminum alloys 5083 and 5086.

The consistent high quality of King brand bright finish welding electrodes and rods is achieved by rigid production and inspection controls, including radiographic and destructive testing of actual welds.

*Kaiser INert Gas

2. Wider sheet, heavier plate

The production of wider sheet, heavier plate and bigger coils is now made pos-



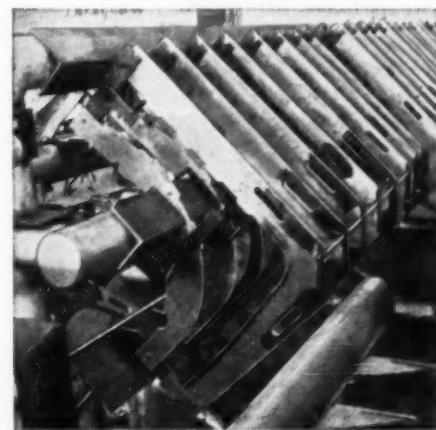
Giant 10,000 lb. aluminum ingot being lifted from direct chill casting station at Kaiser Aluminum's Ravenswood plant. Next stop—the hot line!

sible by the opening of Kaiser Aluminum's new 168-inch, 4-hi reversing hot mill and 100-inch, 5-stand continuous mill at Ravenswood, W. Va.

Sheet and plate in width to a maximum of 144 inches and finished coils weighing up to 8500 pounds are now included within final availabilities. Foil in gauges as light as 0.00025 inches and widths to 66 inches is also in production.

3. Rolled tooling plate

Produced for today's tool design requirements, Kaiser Aluminum's new Rolled Tooling Plate opens up exciting new avenues to cost cutting.



A typical large aircraft assembly fixture. Use of aluminum tooling plate provides greater portability and simpler set-up without need for overhead cranes or lift trucks.

Reasons: (1) It's machined both sides to provide a flat base for accurate layout and measuring; (2) it offers a finer grain structure, freedom from porosity, higher strength, finer finish and better welding characteristics; (3) it weighs only one-third as much as steel, handles easily without the need for expensive positioning equipment.

Among the growing list of industries profiting from new Kaiser Aluminum Tooling Plate: aircraft, electronics, appliance, automotive, plastics, foundry and marine.

4. High strength yet ductile casting alloys

Now, by using one of Kaiser Aluminum's new high purity casting alloys—X357, A356 or C355—permanent mold and sand castings can be designed and produced to be competitive with more expensive fabricated products including forgings.

By holding iron and other impurities to a minimum, and with Kaiser Aluminum's close metallurgical production control, these superior casting alloys permit high temperature artificial aging to develop full strength potential without brittleness.

For example—castings made of our high purity alloys, can be produced with increased tensile and yield strengths or redesigned to have the same strength characteristics with significant weight reductions.



Please send me detailed literature on the subject circled below:

1. Bright Finish Welding Wire
2. Sheet And Plate
3. Rolled Tooling Plate
4. High Purity Casting Alloys

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Vacuum Cleaner

For Top-Capacity Vacuuming

Top-capacity vacuum cleaner is for heavy-duty vacuuming or material recovery. Unit attaches to any standard open-head 55-gal. drum and gives a full pick-up capacity of 48 gal. dry or 40-gal. wet material. It is powered by a 1 1/4 hp. motor sealed against dirt and water, which drives a 2-stage turbine-type centrifugal fan.

Price: \$183. Delivery: immediate.

Black & Decker Mfg. Co., East Pennsylvania Ave., Towson 4, Md. (P.W. 10/27/58)



Tool Truck

Operates Up and Down Stairs

KRD-340 tool truck can be used in any industry where tools must be transported to the job. While loaded it can move up and down stairs. Two large rear wheels (10 in. dia.) and two smaller front casters (2 3/4 in. dia.) offer ease of handling, even in restricted areas. Unit consists of a lower 4-drawer section, a parts storage section, and a work area. These sections provide ample storage space for tools, parts, and equipment. Unit weighs 100 lb.

Price: \$135. Delivery: immediate from branches.

Snap-On Tools Corp., 8028-28th Ave., Kenosha, Wis. (P.W. 10/27/58)



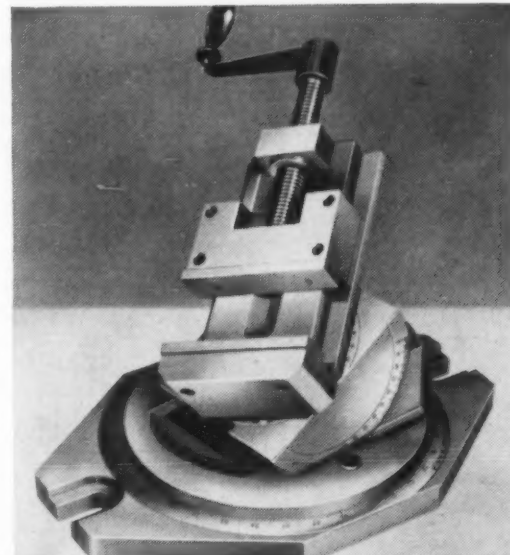
Fire Alarm System

Detects, Locates Danger

Zonalarm fire warning system is completely automatic. It continues protection in case of power failure by standby batteries, affords push-button testing of the entire system, and uses low-voltage wiring. Detectors are self-contained and self restoring.

Price: from \$250 (depending on plant size). Delivery: 1 wk.

Edwards Co., Inc., 90 Connecticut Ave., Norwalk, Conn. (P.W. 10/27/58)



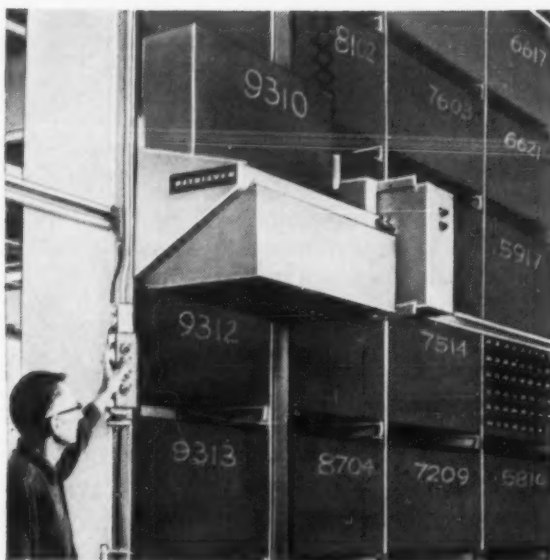
Angle Vise

Accurate and Compact

Model 1A universal angle vise is suitable for compound heavy, medium, or light-duty milling, drilling, boring, grinding, etc. Model 1A combines rigidity, high precision, and low overall height of 5 1/4 in. with a 4 in. jaw capacity. It features wedge-type movement, locks assuring setup rigidity up to 3,000 lb. torque loading. Vise base is 12 in. long and 8 5/8 in. wide.

Price: \$229 (complete). Delivery: immediate.

Wesson Co., 1220 Woodward Heights Blvd., Detroit 20, Mich. (P.W. 10/27/58)



Storage Wall

From Floor-to-Ceiling

Retriever mechanical storage system consists of an electrically-operated travelling carrier, steel storage drawers, and a compact loading and transfer station. Electrical controls enable carrier unit of retriever to bring loads up to 4,000 lb. to or from any compartment in storage wall.

Price: \$8,000 to \$10,000 completely installed (as shown in photo). Delivery: 10 to 12 wk.

Triax Equipment, 3921 Mayfield Rd., Cleveland 21, Ohio (P.W. 10/27/58)



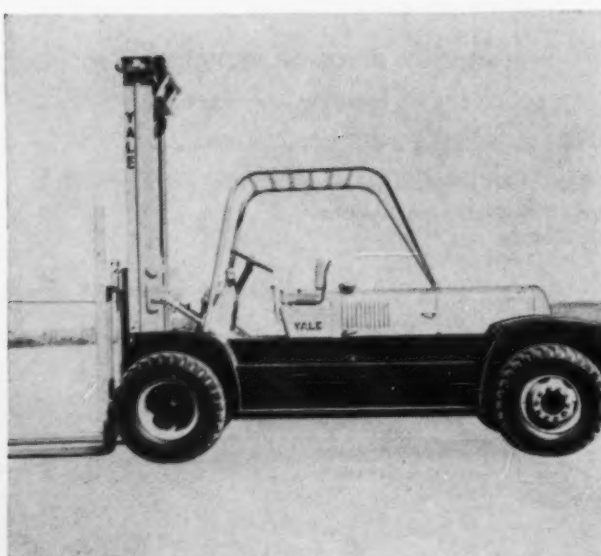
Amplifiers

Fully Transistorized

Models CA3 and CA5 units are designed to amplify strain gage signals to voltage levels suitable for direct use in telemetry and to operate from typical airborne 28-v. supply. Amplifiers have an operating temperature range of -65 F. to +165 F.

Price: \$650 each. Delivery: 8 wk.

Statham Instruments, Inc., 12401 W. Olympic Blvd., Los Angeles 64, Calif. (P.W. 10/27/58)



Lift Truck

For Cumbersome Loads

Modified G-3 gas powered, pneumatic tired truck can transport and stack 20,000 lb. loads that extend 8-ft. out from face of fork carriage. It allows single-unit handling of large-size containers.

Price: \$14,060 (truck price). Delivery: 6 to 8 wk.

Yale Materials Handling Div., Yale & Towne Mfg. Co., 11,000 Roosevelt Blvd., Philadelphia 15, Pa. (P.W. 10/27/58)



Portable Test Set

Checks, Calibrates Amplifiers

Taylor test I instrument is a combined precision signal source, full potentiometer, and milliammeter. It calibrates all forms of amplifiers or servomechanisms which convert small signal voltages (milliv.) into proportional electrical currents (milliamp.) for control or transmission use. Completely self-contained instrument provides all facilities to testing in the field or laboratory.

Price: \$350. Delivery: immediate. Taylor Instrument Co., 95 Ames St., Rochester 1, N. Y. (P.W. 10/27/58)

New Products

Another PURCHASING WEEK service: Price and delivery data with each product description.



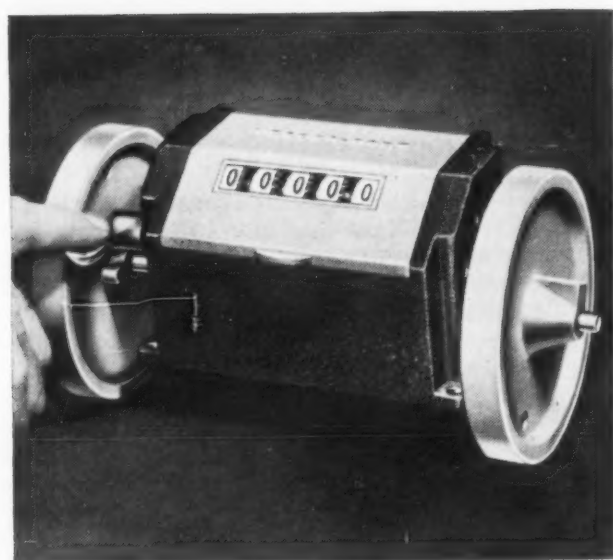
Push-Button Switch

Combines Monitoring and Switching

Tri-lite push-button switch combines monitoring (indicating) and switching in one compact, modular, dual-purpose unit designed for either flush-panel (see photo) or sub-panel mounting. It monitors three different conditions through a three-color indicator-light assembly. Alternate action "push-push" or momentary "positive feel" are controlled through a push-button actuator yoke to the switching assembly.

Price: \$35 each, (sub-panel series). Delivery: 6 to 8 wk.

Switch Div., ElectroSnap Corp., 4230 West Lake St., Chicago 24, Ill. (P.W. 10/27/58)



Revolution Counter

Features Quick Reset

Model 1523 quick-reset, high-speed, geared revolution counter is designed for general purpose work where speed and ease of reset are important. Model 1523 accepts speeds up to 6,000 rpm. or 8,000 counts per min. Flick of lever through a 60-deg. arc resets counter to all zeros.

Price: \$51.10. Delivery: about 8 to 10 wk.

Veeder Root, Inc., 25 Sargent St., Hartford 2, Conn. (P.W. 10/27/58)



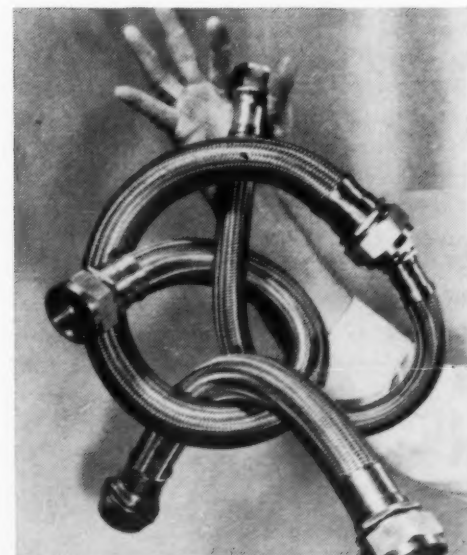
Presentation Easel

Metal Braces for Sturdiness

No. 350 presentation easel is strong and well constructed. It is designed for all conference rooms, sales offices, briefing rooms, trade shows, and instructional areas. Easel has a 28x36 in. washable chalkboard with pad holder; two 28 in. chart trays (the second for storage); easy height adjustment from 44 to 80 in.; stability through metal braces; compactness; portability, and a handsome finish.

Price: \$25 fob. Glendale, L. I. Delivery: immediate.

Anco Wood Specialties, Inc., 71-02 80th. St., Glendale, L. I., N. Y. (P.W. 10/27/58)



Industrial Hose

Features Finger Flexibility

Finger flexible 400 Teflon hose assemblies are designed for high-temperature and corrosion-resistant applications. Springfield 400 hose is braided with special zero-motion braiding process which eliminates elongation or contraction under operating pressures. Braid as well as all end fittings are corrosion-proof. Compression-type end fittings are factory-swaged onto hose to provide permanent, leak-proof connection.

Price: \$52.62 for -20 (1 1/4 in. hose) 1-ft. length of extruded hose. Delivery: immediate in certain sizes.

Titeflex, Inc., Hendee St., Springfield 4, Mass. (P.W. 10/27/58)

This Week's

Product Perspective

OCTOBER 27-NOVEMBER 2

Metalworking technology is headed for some significant changes in the period just ahead. Already some of them are beginning to shape up:

Numerically controlled machine tools are a definite prospect for many companies. As of now, users report considerable savings in machine setup time, machining time, and rejected parts. **Along with numerically controlled machines will come numerically controlled gages.** They are needed to keep pace with the rising demand for better quality and lower inspection costs.

The need for making quick changes in the production line is fostering some new thinking along these lines. Air and electric lines to machines will be fitted with quick-disconnect couplings. **These will let the user move a machine out of the production line and replace it with another in a hurry.** You'll see more of this, particularly on automated lines. **Handling between machines, too, is in for some re-thinking if the quick-change concept is to be extended.**

Another approach to flexibility on the production line is through building blocks. Machine tool components will be standardized, made easily replaceable for workpiece changes. One builder is applying the building-block treatment to standard machines (P.W. Oct. 13, p. 17).

The new hard, tough alloys are forcing tool builders to design heavy, rigid machines. High cutting speeds brought about by new cutting materials are influencing design, too. **New chucks that keep up with the more powerful and faster machines are on their way.** The trend is toward air chucking, while other workholders are getting bigger, to handle the feeds made possible by the bigger machines.

Fixtures will be more mechanized. Work pieces will be shifted within the fixtures by pneumatic, hydraulic, or electronic actuators. Such designs should save operator effort, thus cutting labor costs. At the same time they should provide more accurate placement of work for machining.

The demand for still higher tolerances should bring about some changes in gaging techniques. Optical gaging methods look like a comer for direct measurement of height, depth, thickness, or diameter to 25 millionths of an inch.

Basic thread-gage designs are in for improvement because of the growing use of precision threads. New gages will check six or more surfaces to determine squareness and concentricity of surfaces in relation to thread. Some other types of inspection and quality-control devices may be offered in radically new designs at lower prices.

Growing availability of precision stock, extruded or cast shapes, and other prefinished materials will drastically cut machining time for some products. They will also simplify changes in existing tooling.

Another metalworking operation is showing signs of succumbing to automation. **Automatic drop-forging is proving practical for job-lot quantities.** About the only change that has to be made in the forging set up is to move the old die out and move in the die for the new workpiece. Handling of the workpiece remains essentially the same from one type of workpiece to another.

Drop-forge builders have developed standard items for practically all of the elements necessary to create a continuous, automatic process. One man can operate the new installations even though they combine heating, pre-forming, bending, and forging. Close tolerances are possible too.

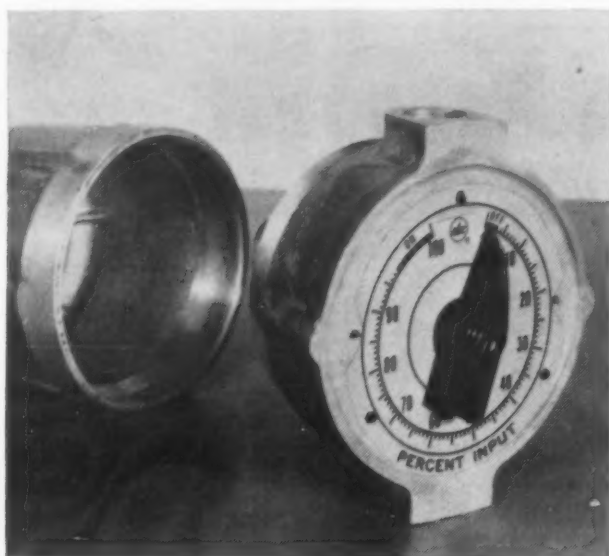
Steady increase in size and shape of stamped parts made in progressive dies is forcing development of more types of presses that are suitable for both job-lot production and mass production. Presses in capacities of 150 to 500 tons are already past the design stages. They will handle large parts and parts needing longer strokes for drawing and forming stations.

Brand new techniques and improvements in old techniques are in store for semi-automatic welding. They will be aimed at assuring better quality and higher speeds on work that does not lend itself to fully-automatic welding.

Arc cutting has moved beyond aluminum to tackle stainless steel. Shape cutting and other operations can be mechanized. Possibilities are good that the process will be used on other metals. It has already been tried on hafnium, zirconium, hastelloy, and uranium—all difficult-to-cut materials.

Your Guide to New Products

(Continued from page 19)



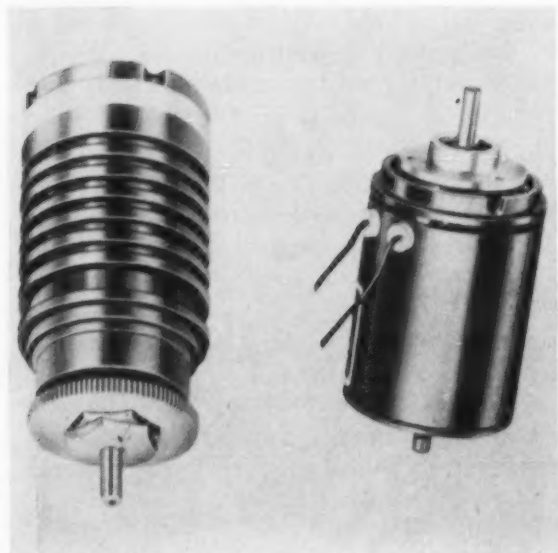
Input Controller

Explosion-Proof Case

Type J-4A input controller is designed for heavy-duty versatility. It is housed in an explosion-proof aluminum case, which is suitable for flush, hole, or conduit mounting. Input controller also provides stepless kw/hr. control.

Price: about \$27.50. Delivery: immediate.

Automatic Timing and Controls, Inc., King of Prussia, Pa. (P.W. 10/27/58)



Magnetic Clutches

For Small-Space Applications

Models BP-543 and BP-583 miniature, lightweight magnetic clutches are for electrical control of servo system rotary mechanical functions. Both models are dry-disc, fixed-coil type of solenoid controlled clutches which use no slip rings. Inputs of 24 and 48 v. may be specified.

Price: \$190 (Model BP-543), \$214 (Model BP-583). Delivery: immediate.

Helipot Division, Beckman Instruments, Inc., Fullerton, Calif. (P.W. 10/27/58)



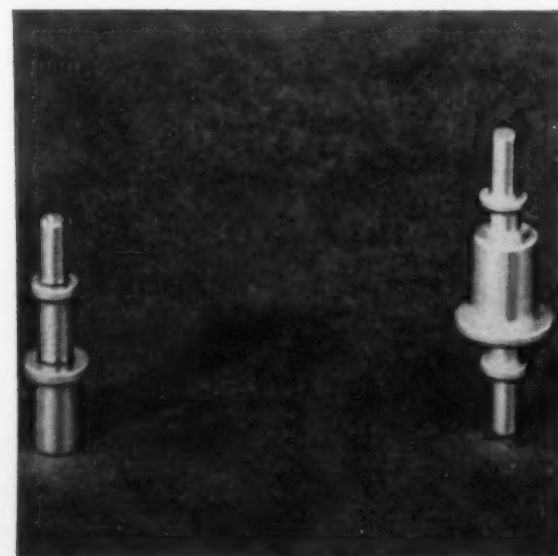
Industrial Spray Gun

Applies Rigid Urethane Foam

Industrial gun sprays rigid urethane foam on vertical or overhead surfaces without sagging. Thicknesses from 3/16 in. to as much as 2 in. can be built up in continuous operation. Material is highly adhesive and sticks to metal, wood, masonry, glass, and fabrics. It will not mold or mildew and does not attract insects, moths, or vermin.

Price: \$1200. Delivery: immediate.

DeVilbiss Co., 296 Phillips Ave., Toledo 1, Ohio (P.W. 10/27/58)



Solder Terminal

Reduce Parts Spoilage

Leed-savrs solder terminals are designed to facilitate servicing and changing of electronic parts. Terminals allow pigtail leads to be removed with a minimum of heat, eliminating the hazard of damage to component parts. Four types are available.

Price: from \$9.75 (part no. 1028), \$12 (part no. 1029), \$18.59 (part no. 1030), \$23.65 (part no. 1031). Delivery: immediate.

Alpine Electronic Components Corp., Wolcott Rd., Waterbury, Conn. (P.W. 10/27/58)



WITH PUNCHED CARD READER SYSTEM scales work automatically. Basis of system is punched card the operator is inserting. For additional information read the article.

Today's Scales Can Also Count Parts, Meter Materials, and Control Industry Operations

Scales do more than "weigh" products or materials in today's industry. Besides coming in all shapes and sizes, scales count parts, meter materials, classify products, and control production operations.

Scales Do Away with Chance

Newest scales on the market do away with the chance of human error in reading, recording, and transmitting information. Here are some examples:

Scales transmit data electronically to typewriters, tape punches, adding machines, etc. Information can be programmed directly into process control, billing, receiving, or stock record control (Toledo Scale Co.).

Punched card reader (PCR) system increases accuracy and speed of batch weighing. P.C.R. system uses punch cards which have been previously coded for prescribed batching formula. Operator inserts card into unit (photo above), pulls lever to lock in place, and presses a start button. Everything works automatically, with cycling of any bulk materials through the various stages of weighing, discharge, mixing, and conveying away for bagging (Richardson Scale Co.).

Weighing Tank Contents Possible

Weighing contents of a tank instead of measuring its volume is possible. Weighing system has hydraulic load cell which carries load on an enclosed oil film. Pressure of film can be used to operate practically any kind of instrumentation or control apparatus. System gives dial

indication, tape or ticket record, circular or strip chart recording, and process control (A. H. Emery Co.).

Selectrol checkweigher automatically weighs, classifies, and sorts commodities into over-weight, under-weight, and correct-weight groups. Up to 100 items per min. with one-gram accuracy can be handled (Exact Weight Scale Co.).

Continuous System Set

Continuous weighing system weighs material electronically as it passes on a conveyor belt. Controls total flow or flow rate by setting counter to a given weight. Conveyor automatically stops when specified load is delivered or belt delivers a specified number of pounds per hour (Bell Automation Corp.).

Bench-type weighing and filling machine for free-flowing materials operates by gravity flow, needs no motor, and delivers 18 to 20 weighings per min. Material is fed into top hopper by spout from a separate bin. Discharge gate at bottom of the feed hopper is opened and the contents begin to flow down into uppermost compartment of the three-compartment weight hopper. When weight beam comes to balance, retaining latch is automatically released, allowing weight hopper to rotate one-third of a cycle. Weighed material then drops down through the discharge spout into a waiting container (Richardson Scale Co.).

Automatic weighing scales weigh and/or blend material while in transit on the conveyor belt (Builders-Providence, Inc.).

Purchasing Week Definition

What Makes an Electronic Circuit?

These are the basic elements (not including vacuum tubes, transistors) of any electronic circuit:

Resistor—Device that offers predetermined opposition to flow of electricity. Common type: Carbon resistor made by mixing graphite with binder, molding mix around wire leads, and baking. Others: rheostat, potentiometer, tapped, precision deposited carbon.

Capacitor—Device that stores electrical energy. Capacitor passes a.c. but blocks flow of d.c. Opposition to a.c. flow increases as a.c. frequency decreases. Common paper capacitor is made by rolling

together two strips of metal foil separated by insulating paper. Lead connects to each strip. Others: mica, ceramic, air, variable (depending on insulating medium).

Coil—Device that offers little opposition to d.c. With a.c., opposition increases as frequency. Coil consists of one or more turns of insulated wire wound closely together. At low frequencies opposition of coil is increased by iron core. At higher frequencies powdered iron cores are used. At still higher frequencies no core is needed. Combinations of two or more coils make a transformer. (P.W. 10/27/58)

Profitable Reading for P.A.'s

"Reading Maketh a Full Man"—Bacon

"What the Purchasing Agent Should Know About Titanium Pricing" is subject of 4-page bulletin. It gives procurement and purchasing groups helpful information on important aspects of titanium pricing, to permit purchase of the material at the lowest possible cost. Included in the bulletin are discussion of quantity allowances, ways to save money by buying to particular size specifications, buying to one-half AISI tolerance, and other subjects. Bulletin is available from **Titanium Metals Corp. of America, 233 Broadway, New York 7, N. Y.**

Low Flow servo valves are described in 6½-page catalog, No. 210. It features a detailed glossary of servo valve terms as well as a detailed cutaway photograph of a typical valve in this series. Company points out that more than 300 different models of valves in this series have been produced for specific application. Copies can be obtained from **Moog Valve Co., Inc., East Aurora, N. Y.**

"Alcoa Fabricating Facilities" is title of 14-page booklet. Included in the more than 50 illustrations are photographs of several of the operations' wide range of presses, plus views of aluminum forming operations. On-the-job scenes reveal the variety of welding equipment available to handle products of all sizes. Remaining sections of the booklet feature engineering service, performance of finishing, testing, and quality-control apparatus. Booklet is available from **Aluminum Co. of America, 739 Alcoa Building, Pittsburgh 19, Pa.**

"Injection Molding and Extrusion of 'MOPLEN'" is title of 8-page bulletin, No. 1. Areas of moldability of "MOPLEN", high-impact polystyrene, and low-density polyethylene are graphically compared. Four pages are devoted to a table reviewing suggested remedies for some of the difficulties that may be encountered when molding or extruding "MOPLEN". Copies can be obtained from **Chemore Corp., 21 West St., New York 6, N. Y.**

Features and uses of the Univac File-Computer Data Automation System, Model 1, are described in new booklet, No. U 1562. Features described include: concept of building block construction, advantages of combined internal and external programming, etc. Booklet is available from **Remington Rand Div., Sperry Rand Corp., 315 Fourth Ave., New York 10, N. Y.**

Digital computer control and data logging is described in 4-page brochure. It contains a description of the RW-300 Digital Control Computer as well as comprehensive discussions of process control, data logging, pilot plant, and test facility applications for computer control systems. Brochure is available from **Thompson-Ramo-Wooldridge Products Co., P. O. Box 45067, Airport Station, Los Angeles 45, Calif.**

"Ultrasonic Cleaning" is title of 24-page booklet, No. S-200. It

explains practical applications and basic principles of this modern cleaning method, as well as design of equipment. Under general system considerations, batch immersion, conveyor and multi-stage systems are discussed, along with various transducer arrangements. Information on solutions and chemicals recommended for ultrasonic cleaning is also included. Booklet is available from **Branson Ultrasonic Corp., 40 Brown House Rd., Stamford, Conn.**

Industrial power tools and accessories are described in 88-page catalog, No. AB-58-2. Complete specifications, catalog listings and descriptions of accessories for all tools are included. Some of the tools described are drill presses, grinders, shapers, tilting arbor saws, unisaws, band saws and radial saws. Other new accessories described include the Slow-Start for 12 in. variable-speed wood lathes, new heavy-duty lamp attachments, etc. Catalog is available from **Rockwell Mfg. Co., Delta Power Tool Div., 497 N. Lexington Ave., Pittsburgh 8, Pa.**

The history of aerosol spray products and their industrial applications today is described in 16-page booklet. It covers the history of aerosol packaging, development of pressure containers and valves, methods of filling and principles of operation. A thorough discussion of cost-saving and time-saving advantages of this type of packaging for industrial and commercial use is also presented. Booklet is available from **Crown Industrial Products Co., Dept. PWY, 1003 Amsterdam St., Woodstock, Ill.**

"Sellers Hydraulic Jet Cleaners" is title of 8-page bulletin, No. 424-B. Bulletin covers hydraulic jet models for heavy-duty cleaning of walls, floors, or process equipment of all types. Models include both portable and stationary types. Bulletin also includes drawings and photographs, together with essential specifications of each model. Copies of the bulletin can be obtained by writing **Sellers Injector Corp., 1600 Hamilton St., Philadelphia 30, Pa.**

High-pressure closures for feed-water heaters are described in bulletin No. 201.1K1. Features fully described include: Uniform load distribution; elimination of excessive temperature stresses; stud load applied only to sealing mechanism; construction adaptable to either bolted or welded high pressure seal; sealing surfaces readily accessible. Copies of the bulletin can be obtained from **American-Standard, Ross Heat Exchanger Div., Buffalo 5, N. Y.**

Where Can I Buy?

The Record to Date

Readers' requests	121
Staff answered	105
Published in PW	16
Answered by readers	14
Unanswered	2

Machine Tool Up, W. Germans Say

Bonn—German machine tool sales for the first six months of 1958 were about 4% below the corresponding period of 1957. Incoming orders, however, have picked up and are presently at the same level with sales.

The last half of 1957 showed incoming orders of about 20% below sales. Orders now on the books are estimated to be an average of between six and six and a half months of production.

Domestic consumers are responsible for the increase in incoming orders, signing up for over 40% more than during January-June 1957. However, export orders slumped 21% during the second quarter of this year compared with last.

Production volume the first half of 1958 on German machine tools dropped to 116,300 tons, 10% less than the corresponding period last year.

Britain's Coal Industry Has Unsold Supply

London—Britain's nationalized coal industry has reached another of its periodic crises, with 15.5 million tons (about \$187 million worth) of unsold coal on its hands.

That's nearly double the unsold stocks on hand a year ago in spite of reduced production. Total production to date this year is 164.3 million tons compared to 170.9 million up to the same time last year.

Prospects are probably non-existent for substantially reducing unsold stocks, mostly small grades, in the near future. One of the principal causes is the slump in British industrial activity. It leaves the National Coal Board with the prospect either of borrowing more money from the government to meet the heavy expense of stockpiling, or of drastically curtailing production.

Russians Boost Exports; Yet Need Paper at Home

Moscow—Russian paper manufacturers are stepping up exports with an eye to underselling U. S. producers in South America despite a severe shortage here.

The Soviets are building railroads into the forests in the Karelia district taken from Finland after World War II and are planning to tap the virgin forests of Siberia to alleviate the shortage of timber for paper.

At the moment, almost all newspapers in Russia are limited to four pages, and subscriptions to many magazines are restricted.

British Tool Exports To U. S. Drop 50%

London—British machine tool exports to the U. S. in the first eight months of this year dropped more than 50% from the corresponding period of 1957.

Board of Trade Statistics showed that during the period January through August, Britain sold \$2.4 million worth of machine tools to the U. S., compared with \$5.2-million in the same period of 1957.

—This Week's—

Foreign Perspective

OCT. 27-
NOV. 2

London—Spectacular improvement is reported in Britain's external trade position for the first half of this year.

For the first time this century, the country showed a surplus on visible trade (exports minus imports).

Total surplus on current account, both visible and invisible trade, was \$935.2 million for the half year, more than in any full year since the war.

Chief factor in the surplus was the drop of commodity prices.

Other principal factors were the fall in freight rates (a net gain to Britain) and increased oil earnings by British companies overseas.

Most of the improvement in current balance was accounted for by transactions with sterling area countries which got less for their commodities while maintaining their imports from Britain.

There was a sharp rise in the current balance with dollar-area countries, too.

Officials here think second half '58 won't be quite as spectacular—because Britain has probably gained all it is going to from the drop in commodity prices.

Bonn—Germany is successfully beating off a British challenge for second place in world automobile production.

Led by the successful Volkswagen, German factories turned out 589,000 units in the first half of this year. That's somewhat above the 551,000 units turned out by third place Britain.

Both, however, are still well below the depressed United States rate of 2,250,000 cars over the same period of time.

Next on the list, after the "leading three", were France with 479,000 cars, Italy with 193,000, and Canada with 183,000.

Deutsches Industrienstitut which released these figures points out that in comparison Soviet car production in all of 1957 amounted to only 114,000 cars.

Moscow—Tin and aluminum may only be the first of a long list of commodities where Russian export surpluses begin cropping up in substantial quantities.

Russia now claims to have a quarter of the world's iron deposits, 57% of its coal, and 90% of its manganese.

These figures are contained in a summary of U.S.S.R. mineral resources given in a recent press conference by Pyotr Antropov, minister of geology and the conservation of mineral resources.

Other claims:

- Recently discovered diamond deposits are "incomparably more important" than African deposits.

- A series of new oil and gas discoveries including an area in the Bukhara-Hiva depression of Central Asia that is similar to the oil deposits on the Arabian peninsula. Antropov made the boast that it will take the Soviet oil industry "only 15 years to achieve what the United States had taken 32 years to do."

Paris—Western European chemical production continues to rack up smart gains.

New report released by the Organization for European Economic Cooperation (O.E.E.C.) indicates substantial gains in a wide range of industrial chemicals.

Overall output rose by 10% in 1957 over 1956—and another 6% in the first half of 1958, compared with the same 1957 period.

Greatest progress was made by petrochemicals, plastics, and nitrogenous fertilizers.

Investment in the chemical industry also rose according to the O.E.E.C.—indicating still greater production boosts in 1959 and 1960. Capital outlays hit \$1 billion last year—some 7% above 1956 levels.

International trade in chemicals is also picking up in line with the increased output and capacity. O.E.E.C. countries are stepping up their offerings of chemical products to nations all over the world.

New Delhi—Despite growing financial crisis, Indian iron and steel capacity is showing some healthy gains.

Latest addition is the \$357 million German-aided Rourkela steel plant. Also being readied for production in the near future is the Russian-aided Bhilai Steel Works now in its final construction stage.

Total 1959 steel production is now tentatively estimated at 1,800,000 tons, 24% above this year's expected total of approximately 1,450,000 tons.

The steel expansion program has several aims: to raise productive capacity, improve India's standard of living, and to permanently ease the financial drain on the Indian Treasury.

In the World of Sales

Fred T. Wilson, Jr., has been advanced to manager-sales of Air Reduction Sales Co.'s office at New Orleans. E. C. Kennedy succeeds Wilson as assistant manager-sales.

John Stuart Smart, Jr., has been advanced to general sales manager at American Smelting & Refining Co., New York. Ralph L. Wilcox has been made assistant sales manager.

Walter H. Hutchinson has joined Cullman Wheel Co., Chicago, as sales manager. He had formerly been with Sheller Mfg. Corp., Portland, Ind., and Dayton Rubber Co., Dayton, Ohio.

David E. McDowell has been promoted to manager of the Tire Sales Division, Gates Rubber Co., Denver.

Stanley P. Stephenson has been appointed manager of American Mineral Spirits Co.'s Southern Division and will continue to use the firm's Atlanta office as his headquarters. Robert L. Moore has been transferred to the Somerville, Mass., office as assistant manager of the New England Sales Division.

Oliver K. Baehr and Raymond Bratt have been named area sales managers for Merkle-Korff Gear Co., Chicago. Baehr will be in charge of the middle west and Bratt the east coast territory.

Walter T. McCoy Jr., formerly

an industrial sales engineer in the Chicago office of the R. C. Mahon Co. has been appointed manager of the New York industrial sales organization.

John K. McKee has been made manager of Sun Oil Co.'s Ohio Valley sales region with headquarters at Cincinnati.

Clifford S. West has joined Lunkenheimer Co. as a sales representative and will operate out of the Boston branch office. He formerly had been with Allen & Reed Co.

Royal A. Wilson has been named Michigan district manager by Capewell Mfg. Co. Charles G. Mudge has been appointed sales engineer for the northern and central New Jersey and metropolitan New York area.

Louis E. Walz has joined Teller & Cooper, Inc., Brooklyn, N. Y., as director of sales for the firm's line of tool collection equipment, data processing, industrial instrumentation, and automation systems. He had been with Emerson Radio & Phonograph Corp., Jersey City, N. J.

Elmer M. Richardson has been appointed eastern regional manager by The Union Chain & Mfg. Co. He will supervise operations of the Boston, New York, and Philadelphia territories from headquarters in New York.

Edmund Moran has been promoted to manager of distributor operations at Midland-Ross Corp., Owosso Division, Owosso, Mich. Richard Fritz succeeds Moran as sales engineer, region one. Ward Brigham moves into Fritz's former post, sales office manager.

PURCHASING WEEK

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330 W. 42nd St., N. Y. 36, N. Y.

Center Started For Distribution

Dallas—A \$20 million warehouse and distribution center now under construction between Dallas and Fort Worth will go into operation about Jan. 1.

The Great Southwest Distribution Center was designed to serve as a distribution center for the entire Southwest, a factory warehouse in support of nearby manufacturing plants, and a transit storage point for interregional traffic.

Highly mechanized and fully automatic, the center will include a twelve-unit warehouse complex having approximately 2½ million sq. ft. of storage space, a consolidated motor truck terminal to accommodate 640 trucks and loading docks to handle 252 trucks simultaneously. Warehouses will be serviced by both truck and rail.

Officials of the center say that the warehousing facilities will have particular significance for industries in the area desiring to store raw and finished goods. If they prefer, plants may turn receiving, storage, and shipping over to the center, which is specifically set up to handle these functions. The center will also serve as a supplementary warehouse for overruns, surpluses, seasonal items, and raw materials purchased in large quantities.

Celanese Corp. to Double Texas Arctic Acid Plant

Pampa, Tex.—Celanese Corp. of America has announced plans for a multimillion-dollar expansion of its acetic acid plant here. The plant's capacity will be doubled.

Richard W. Kixmiller, vice president of the company's chemical division, said the new facilities will enable the plant to produce 240 million lbs. of acetic acid a year, or 15% of the nation's total consumption. Work on the Pampa expansion is scheduled to begin this year and to be completed late in 1959.

Fiber Picks Plant Site

New York—Fiber Industries, Inc., the recently formed company jointly owned by Celanese Corp. of America and Imperial Chemical Industries, Ltd., Great Britain, has selected a 215-acre site near Shelby, N. C. to build its plant for production of Teron polyester fiber (see PW, Oct. 13, p. 20).

Has New Warehouse

Denver—Midwest Rubber & Supply Co. has moved into a new 8,000-sq. ft. warehouse, tripling its former space. Midwest maintains a factory warehouse for Thermoid Co., Trenton, N. J., manufacturers of mechanical rubber goods.

New Sales Office

New York—Beach-Russ Co., rotary high vacuum pump and compressor manufacturer, has moved its general sales office to the Graybar Building, 420 Lexington Ave., New York from the Hudson Terminal Bldg.

American Industry Gets Bigger By Purchase, Merger, or Expansion

New York—American industrial firms are growing bigger every day. Some companies grow bigger by buying others, some by mergers, and some by forming subsidiaries or divisions. But most just simply build plants or expand them.

Here are the changes reported to PURCHASING WEEK:

Company Sales

Cross Engineering Co. To National Standard Co.

Niles, Mich.—National Standard Co. is entering the perforated metal field with the purchase of Cross Engineering Co., Carbon-dale, Pa. The present management of Cross will continue in new organization, which will be operated as Cross Perforated Metals plant of National Standard.

Illinois Precise Casting To Roth Mfg. Co.

Chicago—Illinois Precise Casting Co. has been purchased by Roth Mfg. Co., Niles, Ill., a subsidiary of Vapor Heating Corp. Illinois Precise Casting will be operated as a division of Roth.

James M. Motley & Co. To Foster International Co.

New York—Foster International Corp., affiliate of L. B. Foster Co., has acquired James M. Motley & Co., railroad accessories supplier.

Company Mergers

Corn Products Refining Co. And Best Foods, Inc.

New York—Corn Products Refining Co. and The Best Foods, Inc. have merged to form Corn Products Co. which will offer a broader line of consumer and industrial products to such fields as baking, brewing, canning, confectionary, paper, textiles, pharmaceuticals, foundry, printing inks, adhesives, and tanning.

St. Regis Paper Co. And Gummed Products Co.

New York—Gummed Products Co., a subsidiary of St. Regis Paper Co., has been merged with the parent company to form a separate division.

Crouse-Hinds Co. And Domex Corp.

Syracuse, N. Y.—Crouse-Hinds Co., cast electrical conduit fitting manufacturer, has purchased 50% of the stock of the Domex Corp., Mexico City. The merger was effective Oct. 1.

New Organizations Chemical Products Division Of American Charcoal Co.

Detroit—American Charcoal Co. has formed a new Chemical Products Division to develop, manufacture and sell chemicals used in the die-casting and metalworking industries. Greater concentration will be put on research and new product development.

Cumberland Chemical Corp.

New York—Air Reduction Co. and Mastic Tile Corp. of America have formed a corporation to manufacture materials

used by Mastic Tile in making floor coverings and other building construction products.

The new company, Cumberland Chemical Corp., will build a vinyl chloride monomer and vinyl chloride polymer plant at Calvert City, Ky. Acetylene, one of the major raw materials, will be supplied by Air Reduction.

Sun Olin Chemical Co.

Philadelphia, Pa.—Olin Mathieson Chemical Corp. and Sun Oil Co. have formed a joint subsidiary, Sun Olin Chemical Co., to produce urea.

New Facilities

Electric Storage Battery Co. Opens Research Center

Philadelphia, Pa.—Electric Storage Battery Co. has opened a research center at Yardley, Pa., near Trenton, N. J.

The company moved its 41-man basic and applied research team, formerly at its plant here, to the new facility. Projects currently under study are hermetically sealed storage battery cells, needing no water, and chemical fuel cells.

Further extension of research on plastics, metallurgy, and special membranes for use in large-scale desalting of water, will also be carried on at the new center.

Texas Aluminum Co.

Expanding Rockwall Plant

Rockwall, Tex.—Texas Aluminum Co. has announced a \$350,000 plant expansion here scheduled for spring completion. Features of the five-part expansion include installation of an 800-ton hydraulic extrusion press increasing capacity by about 25%, a new melting unit consisting of a 25,000-lb. reverberatory furnace and a 19-ft. direct chill casting unit, installation of anodizing facilities, a new 100-ton stretcher and detwister, and modernization of present extrusion presses.

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Purchasing Perspective

OCT. 27-
NOV. 2

(Continued from page 1)

Producers do not consider shortages in steel mill products likely this year. But conditions for a much tighter market are fast developing in some lines.

If your plant is contemplating moving to a new site with bigger and better production facilities, the transition may pose some special difficulties for purchasing. The Allen Mfg. Co., a Hartford, Conn., fastener producer, moved to a new plant on the outskirts of town recently, and purchasing director Bill McDonald soon learned what his principal headaches were.

Expediting delivery of purchases was the biggest problem, according to McDonald who helped plant production in planning the move. With materials needed on faster schedules as the new plant got underway, he had to overcome vendors' habits of thinking in terms of the old plant's scheduling routine. And during the transition period, some purchases were made for the old plant, some for the new. The stickler proved to be making sure deliveries were made at the proper plant.

Taking a tip from a New York group, about 20 salesmen headquartered in the Chicago area last week formed a chemical equipment sales engineers association. The idea is to promote uniformity in certain aspects of sales of tailor-made process equipment. An association set-up in New York last year sets a uniform equitable limit on process design, flowsheet work, blueprints, and drawings included free with service on equipment sales. The Chicago group does not include salesmen of shelf items, only sales engineers for builders of custom design chemical process equipment.

Aluminum producers' drive to capture new markets for the light metal advances steadily. It's now virtually certain Ford will be the first automaker to introduce a standard-sized, liquid-cooled V-8 engine made from aluminum. It's due for the 1961 model season.

In the small car field, Chevrolet's forthcoming model will apparently be the first to utilize an all-aluminum engine. But this development will be less important consumption-wise than the switch to the standard-size contemplated by Ford.

A new major source of asbestos fiber which will increase the world supply of the material by 7% has started production in Canada. The facility was developed by Lake Asbestos, a subsidiary of American Smelting & Refining. Most of the production (an estimated 100,000 tons/year for 20 years from open pit mining before underground digging will be necessary) will be exported in world markets. Little or no effect is anticipated on present prices.

McGraw-Hill Indexes

	Latest Month	Month Ago	Year Ago
Basic Chemicals Price Index	110.9	110.5	111.0
Chemical Week			
1947 = 100			
Construction Cost Index	775.3	773.5	736.9
Engineering News-Record			
1913 = 100			
Electrical Materials Cost Index	111.1	111.1	111.0
Electrical Construction & Maintenance			
November 1951 = 100			
Metalworking Products Price Index ...	156.1	155.9	153.9
American Machinist			
1947 = 100			
Non-ferrous Metals Price Index	168.3	168.4	178.4
Engineering & Mining Journal			
1922-24 = 100			
Petroleum Refinery Products Price			
Averages Index	92.7	92.4	98.5
National Petroleum News			
January 1957 = 100			
Plant Maintenance Cost Index	168.5	168.2	167.3
Factory Management & Maintenance			
1947 = 100			

Seaboard, Atlantic R.R.'s Study Possible Merger

Washington—Two of the largest carriers in the Southeast, the Atlantic Coast Line Railroad Co. and Seaboard Air Line Railroad Co., are studying the possibility of merger.

A joint statement issued here by Thomas Rice, Coast Line

president and John W. Smith, Seaboard president, said "Preliminary consideration of a merger of the properties of Seaboard and Coast Line indicate that tangible economies and greater efficiency may be achieved, with resulting benefits to the public."

P.A.'s Tell Chem. Salesmen How to Sell Them

(Picture on Page 1)

New York — If the next chemical salesman in your office walks out with a sale you did not expect to give, don't be surprised.

You may be a dead duck before he enters, thanks to the three top purchasing executives who dispensed "depth selling" advice last week at a meeting of the Salesmen's Association of the American Chemical Industry (S.A.A.C.I.).

Revealing the secrets on "what sells me" were Glenn H. Reinier, Abbott Laboratories' director of purchases; Joseph H. Saville,

division purchasing agent at American Viscose Corp.; and S. E. Spencer, Jr., General Foods Corp.'s purchasing director.

In addition to the basic requirement of submitting a competitive price, these three leading chemical buyers agreed that a salesman must meet many other key responsibilities to be an order-getter with them. These include:

- Emphasis on fundamentals such as quality, transportation, delivery, and product performance.

- Fresh ideas for new products and product improvement.

- Offering of quality research and other technical services on a continuing basis.

- Cooperation with the buyer in solving his special problems—i.e., the something "extra" in customer relations.

- Channeling communications with other departments of a customer firm through purchasing.

- Thorough knowledge of the customer's products and industry as well as complete familiarity with the basic account.

Ability to Deliver

Reinier summed up the selling factors which most influence him as "the ability of the man to deliver the goods."

"The ability of the man to enlist not only his sales department in the interest of my company but his ability to get his research department and other departments thinking in terms of Abbott's needs is what sells me," Reinier said.

Saville rated product knowledge, complete pre-interview preparedness, and good use of his company's supporting departments (such as traffic, research, packaging, etc.) at the top of the list of the 31 most important selling techniques he has noted.

Promotes Creative Thinking

The combination of these three factors promotes creative thinking which in turn sparks ideas and incentives which ultimately lead to sales and savings for both sides in the transactions, Saville emphasized.

Spencer listed ability to turn a complaint into a selling point, frankness as to product value and price, and "sheer persistence" among the top selling factors. He said his purchasing decisions also are affected by a salesman's research and technical services and new product suggestions, and the supplier's efforts to lead price declines and resist unwelcome price advances by competitors.

No Friendship Wanted in Sales

The way to "unsell me," Spencer said, is to appeal for sales on the basis of friendship, compromise competitor's secrets, "waving the flag" to buy American, circumventing the purchasing department without justification, and failure to settle a complaint promptly and fairly.

Spencer also pleaded for advance word on price advances, criticizing notification of increases as a "fait accompli."

Pittsburgh Screw & Bolt Proposes Change in Pricing of Fasteners

(Continued from page 1)

a delivered price effective throughout the country.

Donn D. Greenshields, Pittsburgh president said: "There is a general recognition that a purchasing agent's nightmare has de-

veloped for nut and bolt customers. Pittsburgh Screw & Bolt feels that the time has come to bring order out of the chaotic pricing system which now exists."

Under the net price system, price lists would be published to show the exact net price of various items.

"Our industry needs a price list that the customer can easily understand and not have to depend on a crew of bookkeepers to figure out," Greenshields said. "Net pricing would seem to be a step in that direction."

With the freight variable, a purchasing agent must now first figure out his net price from the list and discount and then compare freight charges from the plants of competing nut and bolt manufacturers.

Many bolt and nut makers, in order to remain competitive, will absorb part of the freight cost to meet the freight charges of the competitor nearest the customer's plant.

Another change in the pricing system under consideration involves simplification of the product classification system. Many of the old differences between product classes no longer exist except on the price books, a factor which can confuse the unwary purchasing agent, the Pittsburgh firm said.

Present pricing practices in the industry have been in effect for more than 50 years. List prices were published in 1932 and 1955 by most companies. These list prices have not changed but revised discounts have been published periodically.

Foreign Fasteners Pose U.S. Problem

(Continued from page 1)

and bolts sell anywhere from 30 to 40% under our products. But purchasing agents should keep in mind that, when it comes to quality, you only get what you pay for."

Fastener imports, mainly small screw and bolt sizes, have been blamed for contributing to a "chaotic" pricing system now prevailing in the industry. Pittsburgh Screw and Bolt Corp. is now making an attempt to uncompliment the situation (see story on page 1).

A Serious Problem

"The problem is definitely a serious one," remarked a spokesman for Russell, Burdsall, and Ward Bolt & Nut Co., Port Chester, N. Y. "Foreign fastener makers are now starting to export more and more of the larger sizes also."

He said the domestic producers need a quota system such as the Administration set up for the lead and zinc industries.

The sales vice president for another big producer, however, disagreed. "I'm not quite sure that government action would be the right thing," he said. "Sure it would be immediately beneficial, but over the long range it may be harmful."

More Aggressive Selling Needed

He felt domestic producers should counter imports with more aggressive selling, marketing, new product development, and greater stress on service and quality rather than price.

An executive for the Keystone Bolt and Nut Corp., Brooklyn, pointed out that prices are now "just what the traffic will bear. Many plants are operating on a three-day week with margins of profit slightly above the break-even point."

"Right now," he said, "imported fasteners have captured over 25% of the market for small sizes and about 95% of the market for split rivets. It's not a healthy situation."

U.N. Unit Favors Lead, Zinc Curbs; Canada Voices Strong Opposition

(Continued from page 1)

get unanimous approval of its similar recommendations at the first meeting in London.

The Canadian government voiced the only strong objections to export curbs at London. By next month, however, U.S. officials hope Ottawa will go along with such a move as a preferable alternative to U.S. import quotas.

Officially Cool to Agreements

According to some observers at London, Ottawa's opposition to international controls did not reflect the position of Canadian mining interests, who—these officials believe—are willing to ac-

cept export curbs. Canada, however, traditionally has been officially cool to international commodity agreements, as has the U.S. The Administration has changed its stand only because it considers an international agreement a lesser evil than trade restrictions.

According to mining experts in Washington, the U.S. quotas have shown that Washington means business and that now it will be easier to reach a general agreement at Geneva. There is no thought, however, of lifting the new import quotas unless export controls are agreed to by the various countries involved.

Truck Prices Moving Upward; A Few Are Cut; Pattern Spotty

(Continued from page 1)
aluminum, and more built-in operating economy.

In the light truck field, International Harvester thinks its new Metro-Mite model might be the answer to the Volkswagen light weight import which has caught the fancy of many firms. Carrying a \$2,050 price tag, the Metro-Mite has a 1,000-lb capacity payload, a 51-hp 4-cylinder engine, and utilizes some plastics and aluminum in its body construction.

An Ohio firm, Cleveland Vehicle, has developed an electric delivery truck operated on a 44-cell storage battery. Of unitized construction, it has a tubular steel frame covered with fiberglass and epoxy resin and a body of reinforced fiberglass using styrofoam both as insulation and structural material. Using about one kilowatt of current per mile, it has five forward speeds up to 30 mph with a cruising radius of about 90 miles. The company claims its battery can be charged at low load periods for a cost of about one cent a mile, and overall the truck offers 40% fuel savings with operating cost reductions of between 60-75%. Cost without battery and charger runs around \$4,000.

Some truck manufacturers, already noting an upswing in orders, base their 1959 optimism on generally increased industrial activity plus the fact that the average age of trucks in use now is about seven years, indicating replacement needs.

In the trailer manufacturing

field, makers generally see no price increases to correspond with trucks. Several manufacturers contend stiff competition will keep prices stable for some time, barring further sizeable materials costs increases.

Here is how the truck price changes stack up by the different makers:

GMC—Increases ranging from \$60-\$150 for an average 2½%.

Chevrolet—A flat \$60 increase for trucks up to and including 2-ton models with several exceptions up to \$100. All heavier models increased \$100.

Ford—Light trucks (1½ ton and below) increased an average \$60; medium range (2½ tons) up only \$15. On the extra heavy line (such as C-1100) the list price average is lower.

Dodge—New line has lower prices on 21 basic models with decreases ranging \$40-46 in the D-200 (¾-ton) series. Increases on other models range from \$65 to \$176.

International Harvester—Prices up 2.5% to 5.8% on heavy duty motor trucks, farm and construction equipment. I-H said it is holding prices steady on its light truck line pending completion of a "study." Heavy duty truck increases averaged 2½%.

Mack—Price increases expected soon, ranging up to 4% to 5%.

White (includes Diamond T and Reo subsidiaries)—Company expects to raise prices later this year but size of increases is still to be determined.

Demand, Strikes Aid Copper Prices

(Continued from page 1)
price of the red metal to 29¢ a lb.

The latest boost (1½¢ a lb.) has been the third rise in the past few months. New price is a big 16% over the 25¢ low prevailing over most of the first half of 1958.

Custom smelter tags—always a more sensitive barometer of copper demand—was being quoted at even a higher price last week (30¢ a lb.).

Mines not hit by strikes are stepping up output in line with increased sales. Some mines are reportedly going on a seven-day work week effective immediately. Recall notices sent to many previously laid-off production workers is also expected to improve the supply situation.

The two questions most asked by copper buyers today are:

- Will the increased production from operating mines put a damper on price rises?

- What happens when the strikes are settled?

No answers can, of course, be given with certainty in such a rapidly changing market. Much depends on future demand as well as overall supply situation.

But based on the current outlook for both, a firming market should persist until the strikes are settled. Reason: Strikes have eaten heavily into backlogs.

New estimates reveal that work stoppages have taken some 62,000 tons of the red metal off the market. Latest stock figures (September) show stocks in the hands of world producers down

to 376,287 tons—60,189 tons below a month previous and the lowest level since April, 1957.

Cut Rate Tags Stay, Benzine Makers Say Of Price Structure

White Sulphur Springs, W. Va.—Domestic marketers of benzene and naphthalene can expect continued cut rate competition from Russia, according to O. V. Tracy, vice president of Esso Standard Oil Co.

Tracy, also president of the petrochemicals marketing firm, Enjay Co., told the American Coke & Chemicals Institute that foreign naphthalene is consistently offered in this country at below U. S. quotations. He stated that imported cargoes contributed to a 5¢ a gallon drop in the benzene market last July.

Rising prices of materials and transportation, higher wages, and other increasing costs underscore the serious effect of cut rate imports from behind the Iron Curtain, Tracy said. He declared the main hope of U. S. producers to increase "meager profits" lies in improving operating efficiency and better balance between capacity and demand.

While the benzene and naphthalene shipments appear part of Iron Curtain countries' commodity-dumping policies involving tin, textiles, aluminum, and other products, Tracy did not suggest Russia was using the chemical exports for political purposes.

Industry Safety Takes Spotlight at Exhibit

(Continued from page 1)
areas would block general price increases in the safety equipment industry until at least next year.

Equipment viewed by the estimated 12,000 convention delegates ranged from tiny earplugs to a model of a portable pedestrian overpass costing more than \$10,000. In the forefront of those showing new equipment was Mine Safety Appliances Co. which has exhibited at the Congress for 38 years—longer than any other equipment company. Its line of instruments to detect

toxic gases extends right into the space era.

Latest of its devices to be displayed was a new portable hydrogen-fluoride detector, developed recently for use around rocket fuel plants, missile sites, chemical plants, refineries, and laboratories. The detector is capable of indicating the presence of hydrogen fluoride in the air in the range of 0.5 to 5 parts per million.

Another up-to-the-minute safety device was aimed at providing over-the-air protection for those working around jet engines, mis-

sile launching sites, artillery ranges, punch presses, and turbines. It is the "Noisefoe Mark II," developed by Radio Corp. of America and Mine Safety Appliances. The device consists of plastic-cycloc ear cups with a vinyl seal pouch between the cup and the side of the head, vinyl headband and two-pronged steel suspension.

Increased use of plastics such as polyethylene and light metals such as aluminum in portable detection and protection devices was evident.

Design improvements in one veteran safety device—the protective hat—were the order of the day. Mine Safety Appliances displayed a new fixed crown suspension for assuring maintenance of the necessary clearance between the wearer's head and the top of the shell. So did E. D. Bullard Co., whose "power bloc" impact hat featured a fixed suspension and a foam plastic sweatband. In addition, Bullard's "bump" hat was redesigned to give greater protection to the back of the neck.

Styling in Glasses

Safety eyeglasses styled almost as fashionably as those worn by movie stars were common at optical company booths. Bausch & Lomb displayed its new cup goggle line featuring improved design and detachable rubber pad. To demonstrate the durability of its new tempered lens, B & L rigged up a hammer to pound away constantly at a lens which, of course, did not break.

Walter Kidde & Co., manufacturers of fire detecting and extinguishing equipment, showed five new extinguishers, all pressurized and needing no cartridges to discharge. The company also stressed simplified instructions for its labels on the new pressurized extinguishers to avoid confusion at the time of use.

Queried about prices, here is what one representative equipment maker had to say:

"I don't see much in the way of price increases in the next four to six months, but later next year is another story," said Mine Safety Appliances President J. T. Ryan. "The latest copper increase may not have permanent effect, but there are the steel talks coming up next year. The long range trends affect us just the same as others."

G. M., Ford Lose Fight On Sales Tax Excise

Washington—The Supreme Court has left undisturbed a tax ruling which requires manufacturers pay excise taxes on the full sales price of their products, including warranty charges.

The high court decision last week rejected efforts of appliance and auto manufacturers to collect upwards of \$500 million in excise tax funds. It said they are not entitled to rebates for money they spent on parts and services in making good on warranties of goods.

The Supreme Court decision came on attempts by Ford and General Motors' Frigidaire Division to get a review of a U. S. Court of Claims ruling. About 30 other similar claims pending in lower courts were affected by the Ford-G. M. outcome.

3 N.A.P.A. Districts Sponsor Conferences on Buying Problems

Hundreds of purchasing executives gathered at N.A.P.A. district conferences this month. Among other things speakers urged them to take closer looks at inventories, participate more in public activities, and make more use of value analysis.

Wichita, Kans.—Results to be achieved through value analysis created high interest among P.A.'s attending the Southwest Purchasing conference, Oct. 8-9.

M. A. Richards, manager of purchasing research and planning, Ford Motor Co., described how his department analyzes each purchase. He said last year he ran 80 cost studies on a front fender assembly for one auto model.

Richards said he utilizes two techniques in purchasing analysis. The first is to evaluate and cost out functions to be performed. The second is to assume the engineer knew what he was doing when he released the part, then try to buy as closely as possible to the parts specified.

Jacksonville, Fla.—Purchasing agents attending the Southeast Purchasing Conference Oct. 13-14, were told to stop operating "mostly behind brick walls" and to get out and make themselves known.

"Top management is increasingly aware of the influence purchasing departments have on the public's opinion of their companies," said Clyde O. Delong, president, B. F. Goodrich's industrial products company.

He emphasized the necessity of creating a purchasing image to match the image already created by the salesman. The public feels close to the salesman but knows little about the purchasing agent.

Conferees got a look at the economic picture from Ira T. Ellis, economist for DuPont Co. He noted that business activity is definitely on the rise and that purchasing problems will now become easier to solve.

Elmira, N. Y.—Northeastern purchasing executives, already feeling the impact of rising business activity, explored its effect on their own operations at the N.A.P.A. 8th District Conference.

The "economics" of purchasing was covered early and often in the two-day session held Oct. 16-17.

H. Thomas Hallowell, president, Standard Pressed Steel Co.,

told the group he was extremely optimistic about the economy and the outlook for 1959—and emphasized that recovery will be faster and greater than many people think.

He hit hard at the fallacy of keeping low inventories in a time of business recovery such as now. Referring to steel, Hallowell said purchasing agents were already 30 days behind in their ordering, which could have serious repercussions on near-term production schedules.

Office Devices Jump in Sales

(Continued from page 1)
productivity of office crews.

And so that the "automated" office doesn't have the "coldness" of mechanical efficiency, office furniture designers have demonstrated striking changes. Emphasis was clearly on comfortable and homelike, yet functional, furniture aimed at adding warmth to the surroundings. Woods competed strongly with metals in materials.

Domestic exhibitors noted with a slight bit of apprehension that foreign makers of equipment are invading more and more American office markets. Everything from inks and business forms to adding machines, copying machines, and telephonic equipment was displayed by such countries as England, Holland, Sweden, Canada, Italy, and Denmark.

American firms also noted that foreign rivals have picked up several sales gimmicks, such as:

- Making their products more "American" in color and style.

- Promoting sales along American lines through booklets and catalogs.

- Stressing service to overcome doubts of U. S. customers concerning spare parts and repairs.

Office equipment prices have reached a fairly stable level, according to manufacturers. There has been a tendency toward higher prices on new models, however, because of increased labor and material costs.

Still, many companies are holding prices in line by using less costly materials, such as plastics. They say this decreases the cost of manufacturing while making for a better product.

Aided by plastics, another marked trend in office machines is toward miniaturization for easy handling and portability.



John F. Nash, Vice President—Operation, New York Central System

"Moore forms help us locate freight automatically"

AUTOMATED CAR REPORTING GIVES NEW YORK CENTRAL 24-HOUR CONTROL OF ROLLING STOCK

New York Central recently introduced an electronic Car Reporting System, a specially designed network utilizing 350 Teletype machines that links 67 Central freight yards with information service bureaus at New York, Cleveland, Indianapolis and Detroit. The system provides accurate, complete information on some 52,000 cars—*within minutes*. This improves freight yard efficiency, speeds train operation and gives shippers valuable delivery information.

As a train enters a strategic Central freight yard, a card with content, destination and traffic information is punched for each car, then fed into an IBM card-to-tape machine which produces a tape. This information is transmitted, by tape, to the service bureaus, retransmitted automatically to interested freight yards. There the tape is automatically reproduced, converted into cards in train sequence. These

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